

REPORT
ON
SURVEY OF LABOUR CONDITIONS
IN
WOOLLEN FACTORIES IN INDIA



सत्यमेव जयते

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CONTENTS

	PAGES
PREFACE	iii
CHAPTER I—INTRODUCTION	
Location and Growth of the Industry	1
Organisation of the Industry	1
Genesis of the Survey	3
Scope and Design	3
CHAPTER II—EMPLOYMENT	
Composition of the Working Force	5
Distribution by 'Covered' and 'Not Covered' under the Factories Act	7
Employment of Women	7
Child Labour	10
Time and Piece-rated Workers.	10
Contract Labour	12
System of Recruitment	12
Employment Status	12
Length of Service	13
Absenteeism	16
Labour Turnover	17
Training and Apprenticeship	17
CHAPTER III—WAGES AND EARNINGS	
Pay Periods	19
Earnings	20
Lowest-Paid Production Workers	22
Components of Earnings : Basic Earnings, Overtime Pay, Allowances, Annual Bonus, and Festival Bonus	23
Earnings of Clerical and Watch and Ward Staff	26
Fines and Deductions	26
CHAPTER IV—WORKING CONDITIONS	
Hours of Work	28
Shifts	28
Seating Arrangements	31
Dust and Fumes	32
Conservancy	32
Leave and Holidays : Earned Leave, Casual Leave, Sick Leave and National and Festival Holidays	33
Weekly-offs	37
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CHAPTER V—WELFARE AND AMENITIES

Drinking Water Facilities	38
Washing Facilities	38
Bathing Facilities	40
Canteens	40
Creches	41
Lockers	42
Rest Shelters	42
Recreational Facilities	42
Educational Facilities	43
Medical Facilities	43
Transport Facilities	45
Other Amenities	45
Housing Facilities	45

CHAPTER VI—SOCIAL SECURITY

Provident Fund Schemes	48
Pension Schemes	48
Gratuity Schemes	49
Maternity Benefits	50
Workmen's Compensation	50

CHAPTER VII—INDUSTRIAL RELATIONS

Industrial Disputes	52
Trade Unionism	53
Collective Agreements	54
Standing Orders	54
Labour and Welfare Officers	56
Works or Joint Committees	56
Production and other Committees	57
Grievance Procedure	57
Association of Workers with Management	57

CHAPTER VIII—LABOUR COST

Labour Cost per Manday Worked	58
Components of Labour Cost	59
Wages	59
Premium Pay for Overtime and Late Shifts	61
Bonuses	62
Other Payments in Cash and Kind	62
Social Security Contributions	62
Subsidies	63

CHAPTER IX—SUMMARY OF CONCLUSIONS

Summary of Conclusions	66
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APPENDIX

A Brief Note on the Sample Design and the Method of Estimation adopted	70
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P R E F A C E

Industrial labour and its problems have been the subject of interest, though varying in degree and extent, ever-since India entered the industrial field over a century ago. Today, this interest has shifted from prevention of exploitation of labour to providing a fair deal and opportunities for a fuller life to labour. The growing realisation of this approach to problems of labour in India, in the context of present-day planned economic development of the country, is provided a sound base by the Surveys that reveal true conditions of labour.

The last detailed survey on a country-wide basis of the working and living conditions of industrial labour was conducted by the Labour Investigation Committee, appointed by the Government of India in 1944. The years that followed witnessed far-reaching changes in the set-up of the country, its basic policies and national objectives. As a result, the long-term strategy for economic and industrial advance recognises the well-being of the working class as an essential factor in the overall stability and progress of the country. The adoption of this policy, in the changed circumstances of the country, has brought about a new awakening in the ranks of labour and afforded them much relief in various directions through legislation and other measures.

In order to assess the impact of these measures on the industrial labour and to appraise their present conditions, a scheme for a comprehensive Survey of Labour Conditions was incorporated in the Second Five Year Plan, and its execution was entrusted to the Labour Bureau. The Survey was conducted according to a phased programme in 46 industries. This report presents data regarding the woollen factories covered under the Scheme during 1960-61.

The present Survey differs considerably from similar investigations in the past in matters of design, scope and presentation of data. It has also certain distinguishing features. For example, it furnishes data separately for large and small establishments in various industries, makes a limited study of labour cost in relation to the benefits and amenities that the workers now enjoy, seeks to fill the gap in the statistics of labour turnover and absenteeism in the factory industries and provides first hand information on certain important aspects of labour-management relations. Attempt has also been made to collect and interpret data on certain conventional items in a more meaningful way. In the presentation of the data, the effort has been to reduce the information into quantitative terms so as to serve as a bench-mark for purposes of evaluation of changes at a future date. Recourse to general description has been resorted to only where the other type of treatment was not possible.

In a survey of this magnitude, it was but natural that many problems had to be faced both in planning as well as execution. Most of these flowed from non-availability of up-to-date frames and absence or improper maintenance of records in many establishments.

In many cases, the field staff had almost to build up the required statistics from various sources. This naturally imposed a heavy demand on the managements and the Bureau is deeply indebted to them for their whole-hearted co-operation.

The debt of gratitude that I owe to the Central Statistical Organisation and the Chief Adviser of Factories for evincing keen interest in the Survey and rendering technical advice on various matters is indeed great. I am also thankful to the Employment Division of the Planning Commission for examining the schedules and instructions and offering useful suggestions. I am equally grateful to the Bureau of Labour Statistics, U.S.A., Social Surveys Division, Ministry of Labour and Social Service, U.K., Economics and Research Branch, Department of Labour, Canada, and Labour Statistics and Research Division, Ministry of Labour, Japan, whose advice was sought on several technical matters.

The primary responsibility for conducting this Survey and bringing out the reports on individual industries was borne by Shri B. N. Srivastava, Deputy Director, whose experience and application came into full play in this assignment. On various statistical problems arising out of the Survey the requisite technical advice was provided to him by other officers at the Headquarters. The present report was drafted by Dr. J. N. Mongia, Assistant Director who received valuable assistance from Shri V. S. Rao, Investigator and Sarvashri Dila Ram, R. K. Pant and R. C. Madan, Computers. The field investigations were carried out by Sarvashri Kirpal Singh, H. K. Gogna, R. K. Kapoor, S. Roy, R. C. Malhotra, Prem Chand Agarwal and S. S. Kaul, under the supervision of Sarvashri G. B. Singh, Harbans Singh and R. N. Mukherjee. To these all my thanks are due.

The views expressed in this report are not those of the Ministry of Labour and Employment, Government of India.

K. C. SEAL
Director

LABOUR BUREAU, SIMLA
Dated the 26th June, 1964

CHAPTER I

INTRODUCTION

The manufacture of woollen goods has been an ancient industry of India, dispersed almost throughout the country, and enjoying a world-wide reputation for its products. The industry existed entirely as a cottage industry and it was not till the eighteen seventies that the powerloom was introduced in woollen goods manufacture. The history of the growth of the organised sector of the industry dates back to 1876 when the first woollen mill was established. But the mill industry evidently did not make much headway till the outbreak of the First World War as by 1914 the number of woollen mills had increased only to 4.

1.1. Location and Growth of the Industry—The increased demand after World War I stimulated the starting of more woollen mills in the country and many of them were established at Bombay, Bangalore, Baroda and Amritsar. The prosperity of the industry, however, was shortlived and in the slough of depression that followed the boom, the industry had to face severe foreign competition and consequently applied for protection which was not granted. The situation improved between the years 1934 and 1939, the World demand having increased. There were substantial imports of yarn leading to the establishment in Amritsar of a large number of small worsted powerloom weaving mills, and in Ludhiana of many hosiery knitting factories. The number of woollen mills rose from 4 in 1914 to 13 in 1934. Subsequently, as already stated, the position improved further and by 1939, the number of mills had increased to 24 with an average daily employment of 17,201. In 1943-44, there were 32 mills employing about 18,000 persons. These mills started working even two to three shifts a day to meet heavy military demands.

The industry has made further progress in recent years particularly since Independence. Statement 1.1 gives details of the number of mills and workers employed State-wise from 1947 onwards.

The industry is mainly concentrated in Punjab, Maharashtra, and Uttar Pradesh. From the point of view of the size of the units and the number employed, the main centres of importance are Kanpur, Dhariwal, Bombay, Mysore and Kashmir.

1.2. Organisation of the Industry—The Woollen Industry consists of the organised mill sector, the cottage sector, and the hosiery units.* There are two main divisions in the mill industry, viz., the woollen and the worsted, the difference being in the selection of the material. The woollen section utilises the short staple while the worsted uses the long staple wool. Some of the large units manufacture all classes of woollen and worsted goods, while others manufacture only blankets.

*Statistics presented in the Report relate to the Organised Mill Sector only.

STATEMENT 1.1
State-wise Distribution of Woollen Factories in India and Average Daily Employment therein

Year	Punjab	Madras	Bombay	Uttar Pradesh	Benzal	Mysore	Others	Total
1	2	3	4	5	6	7	8	9
1947	21 (3,853)	7 (354)	5 (5,831)	4 (3,856)	—	—	1 (513)	38 (14,407)
1949	18 (3,868)	5 (236)	6 (5,557)	4 (3,792)	1 (275)	12 (771)	11 (4,934)	57 (19,433)
1951	36 (3,298)	29 (1,134)	6 (4,860)	5 (2,413)	3 (427)	—	2 (917)	81 (13,049)
1952	39 (3,756)	10 (371)	6 (4,689)	5 (2,636)	3 (598)	6 (480)	6 (1,555)	75 (14,085)
1953	21 (3,177)	10 (379)	7 (4,646)	5 (2,651)	4 (568)	5 (505)	5 (2,930)	57 (13,956)
1954	30 (3,714)	9 (328)	9 (3,776)	4 (2,592)	4 (903)	5 (505)	6 (1,757)	67 (13,545)
1955	32 (4,023)	10 (306)	7 (3,048)	4 (2,110)	4 (1,078)	—	1 (500)	58 (11,065)
1956	45 (4,886)	10 (246)	10 (4,468)	7 (2,764)	4 (1,485)	5 (94)	6 (1,270)	87 (15,153)
1957	55 (5,749)	8 (187)	9 (4,229)	7 (2,903)	4 (1,272)	3 (94)	5 (781)	91 (15,215)
1958	95 (5,398)	6 (128)	12 (4,757)	8 (2,979)	4 (1,163)	—	40 (712)	129 (15,137)
1959	127 (7,325)	4 (40)	15 (4,880)	11 (2,952)	4 (941)	6 (300)	5 (719)	172 (17,157)
1960	153 (7,462)	3 (45)	14 (3,832)†	10 (2,956)	4 (968)	4 (6,868)	8 (2,064)	196 (24,195)
1961	175 (8,645)†	3 (32)	18 (4,499)†	14 (3,309)	4 (966)	4 (6,689)	9 (2,186)	227 (26,326)

†Information is for Maharashtra only.

NOTE— Information relates only to Factories covered under the Factories Act and submitting returns.

Source :— Indian Labour Year Books.

1.3. *Genesis of the Survey*—The first comprehensive survey of conditions of labour in various industries in India on a country-wide basis was conducted by the Royal Commission on Labour during 1929—31. Its report and findings formed the basis of various ameliorative measures. After a lapse of over a decade, i.e. in 1944, the Government of India appointed another Committee, viz. the Labour Investigation Committee, to enquire into the conditions of labour in all important industries. The Committee conducted detailed investigations in 38 industries, including the Woollen Industry, during 1944-45, and, besides a main report on Labour Conditions in general, published individual reports in respect of various industries. These reports proved to be a useful source of information required for the formulation of labour policy. The years that followed witnessed many changes of far-reaching significance. For instance, many legislative measures were adopted to improve working and living conditions and several schemes were introduced for promoting welfare and social security of workers. The setting up of the adjudication machinery also led to improvement in conditions of work and wages in various industries. Above all, the attainment of Independence by the country gave a new status to the working classes. In view of these developments, the Ministry of Labour as well as the Planning Commission considered it necessary that a fresh comprehensive survey of labour conditions in various industries should be conducted so that it may be possible to assess the effects of the various measures adopted in the past and obtain a precise picture of the existing conditions and problems of labour for purposes of deciding the future course of action. Accordingly, a scheme for the conduct of a Survey of Labour Conditions was included in the Second Five Year Plan, and the Labour Bureau was entrusted with the execution of the Scheme.

1.4. *Scope and Design*—A note appended to the report gives details relating to the sample design and method of estimation adopted. In view of absence of a complete list of all woollen factories, the Survey was confined to establishments registered under the Factories Act, 1948. Since there was high concentration of woollen factories in Amritsar and Bombay City and its Suburbs, it was considered desirable to obtain separate information for them and hence they were treated as separate regional strata. All other woollen factories or areas were clubbed together to form the Residual Stratum.

Earlier investigations had indicated the existence of wide variations, in conditions and standard of welfare and amenities, etc., in the establishments of different size-groups, in various industries. It was, therefore, considered desirable to collect data separately for establishments of different sizes. In the light of resources available and from the point of practicability, it was decided that for the purposes of the Survey, woollen factories may be divided into two size groups—large and small. For this purpose, the cut-off point chosen was 115 which was approximately equal to the average size of employment. The sampling fraction adopted was 33.3 per cent. for all the large-size woollen factories in the country, 25 per cent. for the small-size factories in Bombay, and 20 and 16.7 per cent. for the small-size factories in Amritsar and Residual Strata, respectively. Further details relating to sample design and method of estimation appear in the Appendix. Statement 1.2 shows the number of woollen factories

together with the number of workers employed therein (a) in the frame, (b) in the sample; and (c) in the sample actually covered.

STATEMENT 1.2

Number of Factories and Workers in the Frame, Sample, etc.

Regional Stratum (Centre)	In the Frame		In the Sample Selected		In the Sample Actually Covered	
	Number of Factories	Number of Workers	Number of Factories	Number of Workers	Number of Factories	Number of Workers
1	2	3	4	5	6	7
1. Bombay City and its Suburbs	10	3,484	3	668	3 (30.0)	668 (19.2)
2. Amritsar	74	2,075	17	659	11 (14.9)	527 (25.4)
3. Residual	51	10,232	13	4,288	8 (15.7)	4,024 (39.1)
4. All-India	135	15,841	33	5,615	22 (16.3)	5,219 (33.0)

NOTE:—Figures within brackets in cols. 6 and 7 are percentages to total number of factories and workers as given in Cols. 2 and 3, respectively.

From the figures given in the above Statement it would be seen that the Survey ultimately covered nearly 16 per cent. of the woollen factories and 33 per cent. of the workers employed therein. Since only those factories as featured in the frame were included in the sample and it was not possible to take account of new factories which came into being during the period of the Survey, the information given in this report should be treated to relate to conditions in the factories which were in existence during the period to which the frame relates (i.e. 1958) and which continued to exist at the time of the Survey.

The data were collected by personal visits of the field staff of the Bureau. With a view to testing the schedule and instructions prepared for the Survey as also to impart training to the field staff, a pilot enquiry was conducted in September and October, 1959. On the basis of the experience of this enquiry, the schedule and instructions were suitably revised. The main field enquiry was launched in late December, 1959 and ended in June, 1961. Since the enquiry in essence was during 1960 and 1961, the data except where specifically mentioned, should be treated to relate to this period.

CHAPTER II

EMPLOYMENT

In 1943-44, according to the Labour Investigation Committee, there were 32 woollen mills in India employing, on an average, about 18,000 persons. As against this, in 1960, when the present Survey was conducted, there were 196 mills, employing more than 24,000 persons. Thus, while the number of factories in 1960 was about 6 times more than that in 1943-44, the corresponding rise in employment was not as significant, the percentage increase being only about 33.

During the course of the present Survey, in order to maintain uniformity, the data in respect of employment were collected from the different sampled establishments for a fixed date, i.e. 31st December, 1959. On the basis of these data, it is estimated that the total employment strength of the factories registered under the Factories Act, was about 15,800 on the above date. This estimate, however, differs from the statistics of the Factories Act, (i.e. 17,157) for the year 1959, the main reason for the difference being that the former represents the estimate based on the actual number of persons on roll on a particular date whereas the latter is the average daily employment for the whole year.

2.1. *Composition of the Working Force:*

2.1.1. *Distribution by Broad Occupational Groups*—For the purposes of the present Survey, the internationally accepted classification* of workers was followed, according to which the workers have been classified into the following categories:—

- (a) Professional, Technical and Related Personnel.
- (b) Administrative, Executive and Managerial Personnel.
- (c) Clerical and Related Workers (including Supervisory).
- (d) Production and Related Workers (including Supervisory).
- (e) Watch and Ward and Other Services.

Based on the above classification, the number of workers in different occupational groups is given in Statement 2.1.

The Statement shows that a major proportion of workers (about 86.6 per cent. of the total) belonged to the group 'Production and Related Workers' (including Supervisory). The proportion of workers belonging to this group did not vary widely from one centre to another, the range being from 85.5 per cent. in the Residual Group to 89.1 per cent. in the Amritsar Centre. Persons employed as 'Clerical and Related Workers (including Supervisory)', followed the above group, though somewhat remotely, forming as they did about 7 per cent. of the total. This was so in the Residual and Amritsar Centres but not in Bombay City and its suburbs, where persons engaged on 'Watch and Ward and Other Services' were next in importance to 'Production and Related Workers'. The other groups constituted the rest.

*International Standard Classification of Occupations.

STATEMENT 2.1*
Estimated Percentage Distribution of Workers by Broad Occupational Groups
(December 1959)

Centre	Total number of workers	Professional, Technical and Related Personnel	Administrative, Executive and Munerial Personnel	Clerical and Related workers (including Supervisory)	Production and Related Workers (including Supervisory)	Watch and Ward and Other Services
1	2	3	4	5	6	7
1. Bombay City and its Suburbs—						
(a) Large Factories	3,214	0.1	0.3	4.4	88.7	6.5
(b) Small Factories	3,970	0.2	0.3	4.4	88.3	6.8
(c) Small Factories	144	—	—	4.2	95.8	—
2. Amritsar	1,860	0.9	0.5	5.7	89.1	3.8
(a) Large Factories	870	1.2	0.2	4.8	91.3	2.5
(b) Small Factories	990	0.7	0.7	6.4	87.3	4.9
3. Residual	10,723	1.6	0.4	8.1	85.5	4.4
(a) Large Factories	9,438	1.7	0.4	8.1	85.6	4.2
(b) Small Factories	1,285	0.8	0.4	8.0	85.2	5.6
4. All-India	15,797	1.2	0.4	7.0	86.6	4.8
(a) Large Factories	13,378	1.3	0.4	7.0	86.6	4.7
(b) Small Factories	2,419	0.7	0.5	7.1	86.7	5.0

*Data relate to both 'Covered' and 'Not Covered' workers under the Factories Act.

2.1.2. Distribution by 'Covered' and 'Not Covered' under the Factories Act—According to the Factories Act, 1948, a 'worker' has been defined as "a person employed, directly or through any agency, whether for wages or not, in any manufacturing process, or in cleaning any part of the machinery or premises used for a manufacturing process, or in any other kind of work incidental to, or connected with, the manufacturing process, or the subject of the manufacturing process". However, this definition seems to have been interpreted differently by individual units as also by factory inspectorates. Whereas some units had included certain categories of employees (particularly 'Watch and Ward') among those covered under the Factories Act, others had excluded the same. Such workers as were not covered under the Factories Act, formed about 2.3 per cent. of the total. Details of workers 'Covered' and 'Not covered' in different occupational groups are given in Statement 2.2.

It will be seen from the Statement that the proportion of persons not covered under the Act was 3.2 per cent. in the Residual Group, but in the remaining two centres viz., Bombay and its suburbs as well as Amritsar, it was less than 1 per cent. While due to differences in the interpretation of the definition of a worker by different units, inclusion or non-inclusion of an employee depended upon the actual work on which he was engaged, there did not seem to be any dispute about the inclusion of all 'production and related workers' in all units, and there was in fact no such worker who was not covered under the Act.

Among the different groups, persons not covered under the Act in the 'Watch and Ward' group formed the highest proportion (30.5 per cent.), at the all-India level.

2.2. Employment of Women—Employment of women though not uncommon in the Woollen Industry, was not of significant proportion. The Survey results show that about 38 per cent. of the woollen mills in the country employed an estimated total of about 700* women, and they constituted 4.4 per cent. of the total workers employed. These figures when compared with the findings of the Labour Investigation Committee show that there has been a considerable reduction in the number of women workers. The committee had reported that, in 1944-45, about 1,400 women were employed in the industry constituting 7.7 per cent. of the total working force.

Statement 2.3 on page 9 gives details regarding the percentage of factories employing women and the estimated number of women employed during December, 1959.

It will be seen from Statement 2.3 that about 63 per cent. of the total number of women workers were employed in the Residual Group of factories, while the remaining 37 per cent. were found employed in factories in Bombay city and its suburbs.

In Bombay city and its suburbs, two out of every three factories employed women workers who formed about 8 per cent. of the total working force. The percentage of factories employing women was higher in the Residual Group, than in Bombay, though the proportion of women workers employed to the total was much less.

*Covered' as well as 'Not Covered' under the Factories Act.

STATEMENT 2.2

Estimated Percentage Distribution of Workers into 'Covered' and 'Not Covered' Under the Factories Act, 1948 (December, 1959)

Centre	Total	Percentage Distribution of Workers into Various Trades											
		Professional, Technical and Related Personnel			Administrative, Executive and Managerial Personnel			Clerical and Related Workers (including Supervisory)			Production and Related Workers (including Supervisory)		
		Covered	Not Covered	Covered	Covered	Not Covered	Covered	Covered	Not Covered	Covered	Covered	Not Covered	Covered
1	2	3	4	5	6	7	8	9	10	11	12	13	
1. <i>Bombay City and its Suburbs</i>	3188 (99.2)	26 (0.8)	—	100.0	—	100.0	100.0	—	100.0	—	94.7	5.3	
(a) Large Factories	3044 (99.2)	26 (0.8)	—	100.0	—	100.0	100.0	—	100.0	—	94.7	5.3	
(b) Small Factories	144 (100.0)	—	—	100.0	—	—	100.0	—	100.0	—	—	—	
2. <i>Amritsar</i>	1868 (99.9)	2 (0.1)	82.2	11.8	100.0	—	100.0	—	100.0	—	100.0	—	
(a) Large Factories	86 (99.8)	2 (0.2)	80.0	20.0	100.0	—	100.0	—	100.0	—	100.0	—	
(b) Small Factories	990 (100.0)	—	100.0	—	100.0	—	100.0	—	100.0	—	100.0	—	
3. <i>Residual</i>	10381 (96.8)	342 (3.2)	90.8	9.2	84.8	15.2	88.3	11.7	100.0	—	53.7	46.3	
(a) Large Factories	9096 (96.4)	342 (3.6)	90.2	9.8	82.9	17.1	86.7	13.3	100.0	—	45.4	54.6	
(b) Small Factories	990 (100.0)	—	100.0	—	100.0	—	100.0	—	100.0	—	100.0	—	
4. <i>All-India</i>	15427 (97.7)	370 (2.3)	88.2	11.8	73.8	26.2	90.9	9.1	100.0	—	69.5	30.5	
(a) Large Factories	13008 (97.2)	370 (2.8)	87.2	12.9	67.9	32.1	89.2	10.8	100.0	—	63.6	36.4	
(b) Small Factories	2419 (100.0)	—	100.0	—	100.0	—	100.0	—	100.0	—	100.0	—	

Note — Figures within brackets indicate percentages.

STATEMENT 2.3

Estimated Proportion of Women Workers† to the total Working Force in the Woollen Industry (December, 1959)

Centre	1	2	3	4	5	6	7
		Total* Number of Factories	Percentage of Factories Employing Women	Total Number of Workers Employed	Number of Women Workers	Percentage of Women Workers to the total Number of Women employed	Percentage of Women Workers to the total Women Workers in the Industry
1. Bombay City and its Suburbs		9	66.7	3214	259	8.1	37.1
(a) Large Factories	.	6	100.0	3070	259	8.4	50.0
(b) Small Factories	.	3	—	144	—	—	—
2. Amritsar	.	65	—	1860	—	—	—
(a) Large Factories	.	6	—	870	—	—	—
(b) Small Factories	.	59	—	990	—	—	—
3. Residual	.	40	93.0	10723	439	4.1	62.9
(a) Large Factories	.	14	80.0	9438	259	2.7	50.0
(b) Small Factories	.	26	100.0	1285	180	14.0	100.0
4. All-India	.	114	37.9	15797	698	4.4	100.0
(a) Large Factories	.	26	66.2	13378	518	3.9	100.0
(b) Small Factories	.	88	29.5	2419	180	7.4	100.0

*This number does not tally with the number of factories in Statement 1.2. The difference is due to the fact that only those factories which continued to exist till the time of the Survey were covered.

†Both 'Covered' and 'Not covered' under the Factories Act.

Most of the women workers, i.e. slightly more than 97 per cent. were engaged in production and related processes; women engaged on clerical and related work, and watch and ward and other services comprised the rest. In Bombay city and its Suburbs, about 98 per cent. of women were 'Production Workers' and the remaining were employed on watch and ward and other services. None of them were found employed on administrative, and professional and technical jobs, etc. In the Residual Group, about 97 per cent. of the total were production and related workers and the rest were clerical and related workers.

The women employed on production processes were engaged on such jobs as reeling, winding, waste-picking, drawing, washing, balling, spinning and weaving. Reeling seems to be the most popular avocation of women as about 44 per cent. of the total number of women workers were engaged on the same. In fact, about 78 per cent. of all workers engaged on this occupation were women only. Winding, weaving, picking and washing accounted for about 12, 10, 9 and 7 per cent. respectively of all women employed. Other production processes accounted together for about 14 per cent. of the total number of women workers. There were a few employed in the office as stenotypists, etc., forming about 3 per cent. of the total. Women employees engaged on "Watch and Ward" and general work constituted only about 1 per cent. of the total.

As among different centres, there existed some disparities in the distribution of women workers by occupational groups. Thus, while drawing, balling, "Watch and Ward" and general departments engaged about 30 per cent. of the women workers in Bombay city and its suburbs, there were none employed in such departments in the Residual Group. Similarly, about 43 per cent. of women workers in the Residual Group were engaged on waste-picking, washing, weaving and office work, while no woman worker was reported in such departments in Bombay city and its suburbs. However, there was one common feature in both centres in that the single occupation on which the largest proportion of women workers were engaged was reeling in both the centres. The percentage of women workers in that occupation to the total was 36 and 49 in Bombay and Residual Group, respectively.

Except for a few units, where it was reported that women were employed due to their efficiency in particular jobs or that they stuck to their jobs, no special reasons were reported for the employment of women in the Industry.

2.3 Child Labour—During the Survey, child labour was not found employed in the Woollen Industry, except in one factory in the Amritsar Centre. The estimated number of such children was only 5. They were engaged as 'reachers-in'. As this operation did not require much skill or strain, the management could employ children for it. Moreover, they found it cheaper to engage children.

2.4. Time and Piece-rated Workers—Data were collected in respect of the distribution of 'Production Workers' by methods of payment, i.e., time-rated and piece-rated workers, and the percentage distribution is given in Statement 2.4.

STATEMENT 2.4
Estimated Percentage Distribution of 'Production Workers' by Method of Payment
(December, 1959)

Centre	Total Number of Production Workers	Percentage Distribution of Workers by Sex and Method of Payment									
		Percentage Distribu- tion of Workers Employed		Men		Women		Children			
		Time-rated	Piece- rated	Time-rated	Piece- rated	Time-rated	Piece- rated	Time-rated	Piece- rated	Time-rated	Piece- rated
1	2	3	4	5	6	7	8	9	10		
1. <i>Bombay City and its Suburbs</i>	2850	96.2	3.8	95.8	4.2	100.0	—	—	—	—	—
(a) Large Factories	2712	100.0	—	100.0	—	100.0	—	—	—	—	—
(b) Small Factories	138	21.0	79.0	21.0	79.0	—	—	—	—	—	—
2. <i>Amritsar</i>	1658	72.3	27.7	73.2	27.8	—	—	—	—	—	—
(a) Large Factories	794	93.1	6.9	93.0	7.0	—	—	—	—	—	—
(b) Small Factories	864	53.2	46.8	53.2	46.8	—	—	—	—	—	—
3. <i>Residual</i>	9168	62.1	37.9	63.2	36.8	39.1	60.9	—	—	—	—
(a) Large Factories	8073	61.1	38.9	61.5	38.5	46.8	53.2	—	—	—	—
(b) Small Factories	1095	69.5	30.5	77.5	22.5	28.5	71.5	—	—	—	—
4. <i>All-India</i>	13676	70.4	29.6	70.9	29.1	61.9	38.1	100.0	—	—	—
(a) Large Factories	11579	72.4	27.6	72.3	27.7	73.8	26.2	100.0	—	—	—
(b) Small Factories	2097	59.6	40.4	62.5	37.5	28.5	71.5	—	—	—	—

Information given in the Statement (2.4) relates to both categories of employees—those employed directly and through contractors—who were covered under the Factories Act. It was noticed that about 70 per cent. of the workers in the Industry as a whole were time-rated, while the remaining were piece-rated. As among the various centres, while most of the workers (about 96%) were time-rated in Bombay city and its suburbs, about 62 per cent. belonged to that category in the Residual Group. Since men constituted the over-whelming proportion of the working force, their distribution between time and piece-rated was the same as for all workers in all the centres. But the position was different in the case of women and children. For instance, whereas in Bombay city and its suburbs all women were time-rated, in the Residual Group, a majority of them (i.e. 61%) were piece-rated. Children, who were found employed in Amritsar, were all paid on time basis.

2.5. Contract Labour—Employment of labourers through contractors was not common in the Woollen Industry. Even at the time of the Labour Investigation Committee's Enquiry, contract labour did not seem to have been employed.

The present Survey reveals that only about 8 per cent. of the factories in the country employed a few labourers through contractors. All the labourers employed through contractors were women and were piece-rated. They were engaged on bobbin winding. The employers contended that it was economical for them to employ contract labour for these jobs.

2.6. System of Recruitment—The Labour Investigation Committee reported that there was no special system of recruitment of workers at the time of their Enquiry. Recruitment generally was made through workers themselves in Amritsar and through supervisors in Mysore, as reported by the Committee. In Bombay, recruitment was usually effected through jobbers or at the factory gates. According to the present Survey, most of the workers (about 96%) in the industry were found to have been recruited directly. Of the above, recruitment at the factory gate itself accounted for about 85 per cent. that effected through Labour Offices accounted for about 8 per cent. of the workers, while the rest (about 3%) were recruited through departmental heads. A welcome feature of this Industry is that recruitment was not being made through intermediaries. The information collected shows that not many employers were seeking the assistance of Employment Exchanges in matters of recruitment. Only in respect of about 3 per cent. of the workers employed, assistance of Employment Exchanges was sought. The managing agents or managers were responsible for the recruitment of only about 1 per cent. of the workers.

Recruitment of workers in Bombay and Amritsar was entirely at the factory gate and only in the Residual Group, some of the workers were recruited by all the above-mentioned systems. However, even in the latter case, an absolute majority of workers (i.e., about 77%) were recruited at the factory gate.

2.7. Employment Status—During the course of the Survey, information pertaining to the classification of 'Production Workers' into

different categories of employment status was collected. Although, Standing Orders, which provide for the classification of workers, were found to have been framed only in the large factories which were under obligation to do so, excepting those in Bombay, such a system of classification seems to have existed in the Industry to a large extent.

On the basis of the Survey results, it is estimated that a little over 77 per cent. of the workers in the Industry were permanent. Statement 2.5 on page 14 shows the different categories of 'Production Workers'.

It will be seen from the Statement (2.5) that about 17 per cent. of the workers were temporary. The remaining were apprentices, probationers and *badli* workers. The percentage of temporary workers was the highest (38.5) in Amritsar, and lowest in Bombay city and its suburbs (4.7). Conversely, the proportion of permanent production workers was high in Bombay city and its suburbs as also in the Residual Group (about 79%) and low in Amritsar (61.5%). The managements generally stated that this was because the workers did not stick to their jobs. Piece-rated workers preferred to leave their jobs in slack season when their earnings were not high while time-rated workers left their jobs for higher wages. Another unusual feature was that there were no permanent workers in small factories in Bombay city and its suburbs. Of the workers employed therein, about 62 per cent. were temporary and the remaining were *badli* workers.

As regards *badli* labour, some units employing them reported that they were absorbed in temporary vacancies. In others, there was no scheme for regulating *badli* labour as such, but the employers stated that they provided work by rotation to the *badlis* in such a manner that all of them had work for at least some days in a month.

Apprentices were found to be employed in some large factories in Bombay city and its suburbs as well as in the Residual Group. However, their percentage was significant only in the former centre where they constituted 11.6 per cent. of the total working force.

2.8. *Length of Service*—During the course of the present Survey, a study of the distribution of workers according to their length of service was made in respect of 'Production Workers' (directly employed) alone. The data are presented in the Statement 2.6 on page 15.

A majority of 'Production Workers' (about 56%) were found having less than 5 years of service to their credit on 31st December, 1959. It is significant that 'Production Workers' with more than 10 years' service comprised about 34 per cent. It will be noticed that there was a considerable stability of the working force in the Residual Group, as about 51 per cent. of workers had 10 years or more of service to their credit. In fact, this was the only region where workers were found having put in long periods of service. The Survey results have shown that this situation was, more or less, because of the existence of an old and well-established woollen factory in the Residual Group. This factory had a very stable working force and a fairly high proportion of workers were in employ for a considerable period.

STATEMENT 2.5

Estimated Percentage Distribution of 'Production and Related Workers' by Employment Status.
(December, 1959)

Centre	Total Number of Production Workers (Employed Directly)	Percentage Distribution of Workers					
		Permanent Workers	Probationers	Temporary Workers	Badlis	Casual Workers	Apprentices
1	2	3	4	5	6	7	8
1. <i>Bombay City and its Suburbs</i>							
(a) Large Factories	2850	79.5	0.2	4.7	4.0	—	11.6
(b) Small Factories	2712	83.5	0.2	1.7	2.4	—	12.2
	138	—	—	62.3	37.7	—	—
2. <i>Amritsar</i>							
(a) Large Factories	1658	61.5	—	38.5	—	—	—
(b) Small Factories	794	70.5	—	29.5	—	—	—
	864	53.2	—	46.8	—	—	—
3. <i>Residual</i>							
(a) Large Factories	9101	79.5	0.7	17.5	1.4	—	0.9
(b) Small Factories	8073	86.8	0.7	9.8	1.6	—	1.1
	1028	22.0	—	78.0	—	—	—
4. <i>All-India</i>							
(a) Large Factories	13699	77.3	0.5	17.4	1.8	—	3.0
(b) Small Factories	11579	84.9	0.6	9.3	1.6	—	3.6
	2030	33.8	—	63.6	2.6	—	—

STATEMENT 2.6

Estimated Percentage Distribution of Production Workers Employed Directly According to Length of Service
(December, 1959)

Centre	Total number of Production Workers (permanent and non-permanent)	Percentage Distribution of Workers having services of				
		under 1 year	1 year but under 5 years	5 years but under 10 years	10 years and above	
1	2	3	4	5	6	
1. Bombay City and its Suburbs . . .	2,850	19.0	65.0	14.0	—	
(a) Large Factories . . .	2,712	16.8	66.4	16.8	—	
(b) Small Factories . . .	138	62.3	37.7	—	—	
2. Amritsar . . .	1,658	42.5	44.8	12.7	—	
(a) Large Factories . . .	794	27.3	52.3	20.4	—	
(b) Small Factories . . .	864	56.5	37.8	5.7	—	
3. Residual . . .	9,101	20.3	22.0	6.5	51.2	
(a) Large Factories . . .	8,073	14.9	20.7	6.7	57.7	
(b) Small Factories . . .	1,028	62.5	32.0	5.5	—	
4. All India . . .	13,609	22.7	33.8	9.3	34.2	
(a) Large Factories . . .	11,579	16.2	33.6	10.0	40.2	
(b) Small Factories . . .	2,030	59.9	34.9	5.2	—	

The figures (Statement 2.6) also show that, in all the centres, more than half the number of workers in small factories had less than one year's service and, of the rest, all or most of them had not more than 5 years' service. An obvious reason for this was that many of the small factories were new and had started functioning only recently. Moreover, due to the seasonal nature of the demand for their products, some of the factories could not provide employment to all workers throughout the year. Some of the managements stated that the workers preferred to leave employment during agricultural season to attend to harvesting, sowing, etc.; on the other hand, there were allegations that the managements deliberately effected breaks in the service by terminating employment to avoid making workers permanent and to escape other legal liabilities.

2.9. *Absenteeism*—Data pertaining to absenteeism were collected only in respect of 'Production Workers' employed directly excluding casual, *badli* and unpaid workers. In the course of the Survey, it was noticed that in many establishments whenever work had to be suspended on account of shortage of power or raw material, the managements, instead of indicating lay-off, marked those who were actually laid-off as absent. In the absence of any separate marking, it was not possible to isolate those workers who were actually absent and those who were laid-off. Moreover, a very common practice was that if any worker left the establishment during the currency of any pay-period, his name was not removed from the register nor any remark to the effect that he left the service was entered in the column against his name; instead, only absences were marked. Since the data were collected for a period of the preceding twelve months, it was not possible to find out all cases of quits, lay-offs and genuine absences. For all these reasons, the rate of absenteeism reflected in the statement below, it is felt, is rather on the high side.

STATEMENT 2.7
Estimated Absenteeism Rate in the Woollen Industry*
(During 1959)

Month	Bombay City and its Suburbs	Amritsar	Residual	All-Ind
1	2	3	4	5
January	12.7	7.3	8.1	9.0
February	16.9	8.4	7.7	9.8
March	15.5	8.0	9.5	10.7
April	13.2	8.1	10.7	11.1
May	14.5	11.1	12.3	12.7
June	10.0	11.0	12.8	11.9
July	10.4	9.6	9.5	9.7
August	10.0	7.1	7.7	8.2
September	10.3	8.8	6.2	7.4
October	10.4	8.5	7.5	8.2
November	9.8	9.6	7.8	8.4
December	14.7	8.4	6.4	8.4
Overall	12.2	8.9	8.9	9.7

*Percentage of mandays lost to the mandays scheduled to work.

The absenteeism rate at the all-India level was the highest in the month of May (12.7), followed by that in the month of June (11.9). The absenteeism rate was also high in April and March. It was the lowest in September (7.4). As among different centres, the highest overall absenteeism rate was recorded in Bombay (12.2) and the lowest in Amritsar (8.9).

Since no information was generally kept by the managements about the reasons for absences, it has not been possible to collect statistics of absences by causes. However, the general information which could be gathered from various sources indicates that the high rate of absenteeism between March and June could be due to the harvesting season when workers went to their villages. Moreover, generally, due to excess of heat, workers liked to take their annual leave during hot months. It was also reported that since, during these months, workers preferred to go to their villages, even leaving their jobs without any intimation, the employers not knowing about the quits, continued to mark 'a' against their names. This factor also might be responsible for inflating the absenteeism rate.

2.10. *Labour Turnover*—Data in respect of labour turnover also were collected for the same categories of workers as in the case of absenteeism. Statement 2.8 gives the rates of accessions and separations (overall) for all the twelve months of 1959, based upon the results of the Survey.

While the overall rate of accession for the Industry as a whole was 6.4 per cent., the rate of separation was 7.1 per cent. thus showing a tendency towards a decline in the total number of workers. The rate of accession varied from about 4.0 per cent. in December to 11.6 per cent in April, while the range of variation for separations was higher, being 3.6 per cent. in March to 13.0 per cent. in October. Taking the different centres into account, the rate of accession was the highest in Bombay in April, and the rate of separation, too, was the highest in the same centre in October. This position was mainly the result of recruitment of large number of workers in April in one of the large units surveyed, and discharge or dismissal of a large number of workers within six months in the same unit in the month of October. The rates of accession and separation were also generally on the high side in Amritsar.

2.11. *Training and Apprenticeship*—There was no regular system of providing training or apprenticeship facilities to workers in the Woollen Industry. Only in a few of the units surveyed in the Residual Group, training was imparted in the following trades:

- (a) Weaving, (b) Spinning, (c) Knotting and Mending, (d) Combing, Tailoring, etc.

The training was on an *ad hoc* basis and was for 4 years. The remuneration to apprentices was Rs. 1.15 per day. There was, however, no guarantee of employment to the apprentices.

STATEMENT 2.8
Estimated Rates of Accessions and Separations (In percentages)
(During 1959)

Month	Rate of Accession				Rate of Separation			
	Bombay city and its suburbs	Amritsar	Residual	All-India	Bombay city and its suburbs	Amritsar	Residual	All-India
1	2	3	4	5	6	7	8	9
January	1.9	9.7	5.1	4.9	2.9	8.1	8.4	7.2
February	7.6	13.9	8.2	8.7	2.1	8.0	8.4	7.0
March	3.6	5.1	5.4	5.0	1.9	8.4	3.4	3.6
April	20.2	17.4	7.6	11.6	1.6	13.7	4.6	4.8
May	6.1	18.9	6.3	7.6	1.7	14.1	3.4	4.0
June	4.2	12.6	3.3	4.5	2.0	11.8	4.4	4.6
July	2.3	13.3	7.8	7.0	3.3	12.8	7.5	7.0
August	3.2	9.9	8.2	7.2	4.5	11.1	4.9	5.4
September	1.5	9.0	5.7	5.0	14.6	8.5	5.3	7.8
October	3.4	7.8	6.4	5.9	18.6	12.1	11.4	13.0
November	4.4	6.4	4.9	5.0	3.6	9.0	11.6	9.6
December	0.9	9.4	4.0	4.0	14.0	9.1	12.3	12.3
Over-all (all months)	5.0	11.1	6.1	6.4	5.7	10.6	7.1	7.1

CHAPTER III

WAGES AND EARNINGS

The Labour Investigation Committee had conducted a Wage Census in some of the woollen mills on a sample basis in 1944-45. The wage level in the Industry, as reported by them, was more or less similar to the levels prevailing in other organised industries in the same centres. The dearness allowance, however, varied appreciably from centre to centre.

Taking the over-all position into account, it could be said that the basic minimum wage of an unskilled worker in the different centres of the Industry varied, at the time of the Enquiry (1944-45), from annas 7 to annas 10 per day. The rates of dearness allowance also varied from centre to centre and ranged from Rs. 10 per month in Kashmir to Rs. 30 per month in Bombay.

The rates of wages and dearness allowance registered appreciable increase in many centres since 1944. Variations as among different centres, however, were wide. Monthly minimum basic wage varied from Rs. 24 to Rs. 34-2-0 in Bombay and Rs. 19 to Rs. 30 in U.P. In Bangalore, the minimum basic wage rate per day was Re. 0-14-9 for men and Re. 0-11-6 for women. In Punjab, the largest unit in the industry paid a daily minimum wage of Re. 1, while the West Bengal unit had a minimum basic wage of Rs. 1-2-6 per day.

The results of the present Survey show that there has been a noticeable increase in the level of wages since 1944-45. The extent to which wages have increased would be evident from the information given subsequently.

During the course of the Survey, information relating to wage revisions affecting a majority of workers in the various units since 1956 was collected. The available data show that about 31 per cent. of the units in the country reported such revisions. Of the above, there was only one such revision in about 35 per cent. of units, two revisions in 32 per cent. of units and three revisions in the remaining units.

Of the wage revisions in the Industry since 1956, about 41* per cent. were consequent to the executive orders of the Government, and about 20 per cent. were as a result of mutual understanding. The revisions were based on collective agreements in about 14 per cent. of the cases, adjudication awards in about 13 per cent. and conciliation in about 3 per cent. of the cases, while in the remaining, they were effected by employers voluntarily.

3.1. *Pay Periods*—From the data available, it is clear that the pay period was month in all the woollen mills in Bombay and was predominantly so in Amritsar. Statement 3.1 gives details of pay periods.

*These include the revisions of D.A. for the Government employees in the Government factory in U.P., and changes effected in the minimum wages under the Minimum Wages Act, 1948, in Punjab.

STATEMENT 3.1

*Estimated Percentage Distribution of Workers According to Pay
Periods in the Woollen Industry*
(December, 1959)

Centre	Percentage distribution of workers whose pay period was			
	Month	Fortnight	Week	Not fixed
1	2	3	4	5
1. <i>Bombay City and its Suburbs</i>	100.0	—	—	—
(a) Large Factories	100.0	—	—	—
(b) Small Factories	100.0	—	—	—
2. <i>Amritsar</i>	88.4	11.6	—	—
(a) Large Factories	93.7	6.3	—	—
(b) Small Factories	83.8	16.2	—	—
3. <i>Residual</i>	30.3	62.2	6.8	0.7
(a) Large Factories	26.6	68.3	5.1	—
(b) Small Factories	56.4	18.8	19.6	5.2
4. <i>All-India</i>	51.7	43.3	4.6	0.4
(a) Large Factories	48.3	48.2	3.5	—
(b) Small Factories	70.2	16.6	10.4	2.8

All employees in woollen mills in Bombay and most of them (88.4%) in Amritsar were being paid their dues once a month. In the Residual Group, a majority of workers (62%) were paid fortnightly and about 30 per cent. of them received payment once in a month. Further, it was only among the Residual Group of factories, that a small proportion of workers (about 7%) were paid weekly and a much less proportion* of them did not have a fixed pay period. The overall position for the Industry in the country was that about 52 per cent. of the workers were being paid on a monthly basis, and about 43 per cent. received their pay packet every fortnight. Workers who received wages every week and those for whom no fixed period was prescribed, constituted about 5 per cent. of the total. Generally speaking, monthly payments were made to the clerical, administrative, technical and supervisory staff. As regards 'production workers' in units where there were more than one pay period, piece-rated workers were paid either fortnightly or weekly while the time-rated workers received payments, generally, once a month.

3.2. *Earnings*—During the course of the Survey, information relating to man-days worked, and the basic wages, dearness allowance and other emoluments earned by workers during a pay period, preceding the specified date (i.e. 31-12-1959) was collected from each of the sampled units. The data relate to workers covered under the Factories Act. Since 'production workers' constituted the bulk of the working force, information was collected separately for men, women and children. Data relating to earnings of workers by occupations were, however, not collected as the Labour Bureau had already conducted a detailed occupational wage survey in 1958-59.

*These were a few contract workers engaged on piece-rate basis, for a specific purpose, and the payment was made after the completion of the stipulated assignment.

Based on the results of the present Survey, the average daily earnings of a worker in the Woollen Industry were estimated at Rs. 4.17 during December, 1959. The details are given in the following statement:

STATEMENT 3.2
Estimated Average Daily Earnings of Woollen Workers
(In December, 1959)

(In Rupees)

Centre	All Workers*	Production Workers			
		Men	Women	Children	All Production workers
1	2	3	4	5	6
1. <i>Bombay City and its Suburbs</i>	4.01	3.99	3.60	—	3.96
(a) Large Factories	4.04	4.02	3.60	—	3.98
(b) Small Factories	3.08	2.96	—	—	2.98
2. <i>Amritsar</i>	3.09	3.05	—	1.17	3.05
(a) Large Factories	2.69	2.64	—	1.17	2.63
(b) Small Factories	3.43	3.43	—	—	3.43
3. <i>Residual</i>	4.43	3.85	1.59	—	3.75
(a) Large Factories	4.67	4.01	1.66	—	3.94
(b) Small Factories	2.88	2.68	1.45	—	2.53
4. <i>All-India</i>	4.17	3.77	2.44	1.17	3.71
(a) Large Factories	4.37	3.90	2.70	1.17	3.85
(b) Small Factories	3.12	3.03	1.45	—	2.93

*All workers covered under the Factories Act *i.e.* Technical, Administrative, Production (including Supervisory), Clerical (including Supervisory) and Watch and Ward employees, (including contract labour).

The average daily earnings of all workers were Rs. 4.17 at the all-India level. They were higher in large factories than in the small ones at the all-India level, as also in Bombay and Residual centres, while in Amritsar, workers in the small factories earned higher wages than in their large counterparts. This was probably due to the employment of a much larger proportion of workers on piece-rate basis in small factories as compared to the large ones. As among the various centres, 'all workers' in the Residual Group were earning the highest amount (Rs. 4.43), and those in Amritsar centre earned the least (Rs. 3.09).

Taking the 'Production Workers' alone into account, their overall average earnings were Rs. 3.71 thus, being lower by, about 11 per cent. than those of 'all workers'. The same of the latter were obviously high due to the influence of higher pay of managerial, technical and administrative personnel, etc. All 'production workers' in the Bombay centre earned the largest average daily earnings, viz., Rs. 3.96 per day, amongst all the centres. As in the case of 'all workers', all 'Production Workers' in Amritsar earned the least, viz., Rs. 3.05 per day.

The average daily earnings of male production workers were Rs. 3.77, while women production workers earned, on an average, Rs. 2.44. The latter's earnings formed only about 65 per cent. of men's earnings. While in Bombay there was no considerable difference in the earnings of female and male production workers, the former constituting about 90 per cent. of the latter, there was a lot of difference between the earnings of the two categories in the Residual Group. Women in this group of factories, earned only about 41 per cent. of the earnings of male workers.

The above differences in the earnings were mainly due to the large range of variations in the wages in various units. For instance, the minimum wage rate payable to the male workers ranged from Rs. 1.25 per day in one of the small factories surveyed in the Residual Group to Rs. 3.31 per day in one large factory in the Bombay centre. Similarly, the lowest wage rate (consolidated) of female workers varied from Re. 0.87 per day in two of the factories surveyed in the Residual Group to Rs. 3.31 per day in one large factory in Bombay city and its suburbs. Children were employed only in Amritsar and their average daily earnings were Rs. 1.17.

3.3. Lowest-Paid Production Workers—In the Woollen Industry, occupations in which the workers were paid the lowest amount, were those of pirn winders, dyers, twistors, doffers, cleaners, clipper mazdoors, packers, helper mazdoors, etc. During the course of the Survey, data in respect of the earnings of such workers were collected separately. The average daily earnings of the lowest-paid 'production workers' *vis-a-vis* 'all production workers' and 'all workers' are given in the following statement :

STATEMENT 3.3

Estimated Average Daily Earnings of the Lowest-paid Production Workers

(December, 1959)

Centre	Average Daily Earnings (In Rupees)		
	Production Workers	Lowest paid Production Workers	All Workers
1	2	3	4
1. <i>Bombay City and its Suburbs</i>	3.96	2.86	4.01
(a) Large Factories	3.98	2.91	4.04
(b) Small Factories	2.98	2.31	3.08
2. <i>Amritsar</i>	3.05	2.07	3.09
(a) Large Factories	2.63	2.10	2.69
(b) Small Factories	3.43	1.98	3.43
3. <i>Residual</i>	3.75	2.74	4.43
(a) Large Factories	3.94	2.84	4.67
(b) Small Factories	2.53	1.56	2.88
4. <i>All-India</i>	3.71	2.57	4.17
(a) Large Factories	3.85	2.67	4.37
(b) Small Factories	2.93	1.79	3.12

It will be seen from Statement (3.3) that the average daily earnings of the lowest-paid production workers formed about 62 per cent. of those of all workers and about 69 per cent. of all 'production workers'.

3.4. Components of Earnings—Data collected on earnings of the woollen workers reveal that their pay packet consisted generally of basic wages and dearness allowance only. Workers earned almost a negligible amount in the form of other allowances. The break-up of the total earnings of all workers is given in Statement 3.4.

3.4.1. Basic Earnings—The basic earnings, i.e. the basic wages and dearness allowance or the consolidated wages accounted for as much as 99 per cent. of the total earnings of woollen workers in the Industry as a whole. As among the different centres, wages and dearness allowance constituted, as at the all-India level, about 99 per cent. of the total earnings in the Residual Group. In Bombay, about 99.8 per cent. of workers' total earnings were made up of their basic earnings only, while in Amritsar centre about 98.8 per cent. of the total earnings consisted of basic earnings only. It was also noticed that this proportion was always higher in large establishments than in small ones, in all the centres.

During the course of the present Survey, it was observed that only about 15 per cent. of the woollen factories in the country paid separate dearness allowance to some of the workers. As among different centres, separate dearness allowance was paid in about 33 per cent. of the units in Bombay, and in about 36 per cent. of units in the Residual Group. In Amritsar centre, all units surveyed were reported paying consolidated wages to their workers.

Of the units paying separate dearness allowance, in about half of them it had been linked to the consumer price index number. In the remaining factories paying dearness allowance, various rates for the different slabs had been fixed, and workers were being paid accordingly.

3.4.2. Overtime Pay—Overtime work was not a regular feature in the Industry and hence this component was not reflected to any significant proportions in the total earnings.

3.4.3. Allowances—There were not many allowances earned by woollen workers in the country, as already stated. A brief account of whatever was earned by the workers in the shape of allowances is given below.

3.4.3.1. Production/Incentive Bonus—It was noticed during the course of the present Survey, that only in a few woollen factories, the system of paying production/incentive bonus existed. Workers who were directly connected with production processes, such as drawers, finishers, rovers, spinners and doffers were entitled to receive this benefit on attainment of a prefixed target. The rate of payment was fixed at 45 nP. per such worker per day.

During December, 1959, average earnings of workers, on account of this component were almost insignificant.

STATEMENT 3.4
Estimated Average Daily Earnings by Components of Workers in the Woollen Industry
(December, 1959)

Centre	(In Rupees)								
	1	2	3	4	5	6	7	8	9
		Basic Earnings (Basic wages and D.A. or consolidated wages)	Production Incentive Bonus	Night-shift allowance	House Rent Allowance	Transport Allowance	Overtime Pay	Other Allowances	Total
1. Bombay City and its Suburbs.		4.00	—	—	—	—	0.01	—	4.01
(a) Large Factories ..		4.03	—	—	—	—	0.01	—	4.04
(b) Small Factories ..		2.94	—	—	—	—	0.14	—	3.08
2. Amritsar		3.05	—	—	—	*	0.04	—	3.09
(a) Large Factories ..		2.66	—	—	—	—	0.03	—	2.69
(b) Small Factories ..		3.38	—	—	—	0.01	0.04	—	3.43
3. Residual		4.39	0.02	*	*	—	0.01	0.01	4.43
(a) Large Factories ..		4.63	0.02	*	0.01	—	*	0.01	4.67
(b) Small Factories ..		2.83	—	—	—	—	0.05	*	2.88
4. All-India		4.13	0.02	*	*	*	0.01	0.01	4.17
(a) Large Factories ..		4.34	0.02	*	*	—	*	0.01	4.37
(b) Small Factories ..		3.07	—	—	—	*	0.05	*	3.12

* Less than Re. 0.005.

3.4.3.2. Night Shift Allowance—The system of paying night shift allowance was found to be existing in a few of the woollen factories in the country. Those units were all large establishments among the Residual Group of factories. The rate of payment was Re. 0.06 per attendance. Since the number of workers benefited was low, the share of this component was almost insignificant.

3.4.3.3. House Rent Allowance—About 5 per cent. of the woollen mills in the country, all of which belonged to the Residual Group, were found to be paying house rent allowance to some of their employees. Some of the concerned units granted Rs. 5 per month as house rent allowance to only 'watch and ward' employees who were not provided with housing accommodation, while in others, darnings, who hailed from Kashmir, were enjoying this privilege according to the terms and conditions agreed upon at the time of their recruitment. They received house rent allowance of Rs. 6 per month.

Since only a few workers enjoyed this benefit, the consequent addition to their earnings on account of house rent allowance was negligible, being less than Re. 0.005 nP. per day at the all-India level.

3.4.3.4. Transport or Conveyance Allowance—The Survey results show that about 8 per cent. of the woollen mills in India were paying transport/conveyance allowance. The benefit was restricted only to some types of employees. For instance, in one of the establishments surveyed in the Residual Group of factories, one sales agent was reported to be getting Rs. 10 per month as conveyance allowance. Similarly, in one small unit in the Amritsar centre, too, transport allowance was being paid to weaving master, pirn winder and drawers in. The payment varied from Rs. 5 to Rs. 15 per month.

During December, 1959, workers in the small factories in Amritsar earned, on an average, an amount of Re. 0.01 per day. However, at the all-India level, the average earning per day on account of transport or conveyance allowance was negligible (less than Re. 0.005). It may be relevant to mention here that about 16 per cent. of the units in the country were providing free transport to a few of their workers.

3.4.3.5. Other Allowances—Certain other allowances such as city allowance, machine allowance, etc., were paid to certain individuals in a few units in the Residual Group. Workers earned, on an average, Re. 0.01 at the all-India level, from such allowances. The payment of such allowances was not reported in Bombay and Amritsar centres.

3.4.4. Annual Bonus—The practice of paying annual bonus or profit or war bonus was reported to be existing at the time of the enquiry by the Labour Investigation Committee. All the four units in Amritsar in which a wage census was conducted by the Committee were paying annual bonus to their operatives.*

The present Survey also has revealed that about 30 per cent. of the woollen factories in the country were paying annual bonus to their workers. In none of these units, however, there was any regular scheme. In almost all such factories, payment of bonus was made to

*For details, please see pp. 13 and 24 of their Report.

all categories of employees. Completion of service ranging from 3 to 9 months was the condition for eligibility to bonus payment in some of the units. In some others, however, the condition was about 30 days' work in the bonus year whereas in one of the units surveyed in the Residual Group, it was paid at the discretion of the management.

The rate of payment varied from unit to unit. In the last year of bonus payment (before the specified date), the amount paid was equivalent to the wages earned by workers in a period ranging from 7 to 34 days in different units in Amritsar. In two units surveyed in Bombay and Residual centres, it was 3/50 and 7/72, respectively, of consolidated earnings in a year. Three months' pay was allowed to staff, while the rate of payment was not fixed for others in one of the units paying bonus in the Residual Group. In another unit surveyed in the Residual Group, the bonus was paid at the rate of 1/16th of basic wages earned in the bonus year.

The bonus payment was made as a result of agreement between the management and workers in about 37 per cent. of the units paying bonus. It was at the mere discretion of the management in about 44 per cent. of the cases, while in the rest, the payment of bonus was reported to be by virtue of some awards.

3.4.5. Festival Bonus—Only one of the large units surveyed in the Residual Group, constituting about 2.5 per cent. of all the units in the Industry, reported payment of festival bonus during the present Survey.

All categories of employees were entitled to receive this bonus, provided they had put in 15 days' service before the festival. There were fixed rates of payment for different categories of workers, varying from Rs. 5 to Rs. 35. There was no regular scheme, but the bonus payment was being made on the basis of an oral agreement between workers and the management.

3.5. Earnings of Clerical and Watch and Ward Staff—In the course of the Survey, separate information regarding earnings of clerical and watch and ward staff was also collected and the data so collected are given in Statement 3.5.

The average daily earnings of clerical and related workers (including supervisory staff) were Rs. 6.23 at the all-India level. Their earnings were the highest in the Residual Group. In the country as a whole, watch and ward staff earned Rs. 2.95 per day on an average. Clerical and related workers earned higher wages than 'all production workers', as well as 'all workers' in all centres. While watch and ward workers in all centres earned lower wages than all production workers, their earnings were higher than those of the lowest-paid 'production workers' in all the factories except in large ones in the Amritsar centre.

3.6. Fines and Deductions—Based on the results of the Survey, it has been estimated that only about 5 per cent. of the woollen factories in the country were imposing fines. None of the factories in Amritsar centre were reported following this practice. All those imposing fines were maintaining fines registers as required under the

STATEMENT 3.5
Estimated Average Daily Earnings of Clerical and
Watch and Ward Staff
(December, 1959)

Centre	(In Rupees)	
	Clerical and Related Workers (including Supervisory staff)	Watch and Ward and Other Services
1	2	3
1. <i>Bombay City and its Suburbs</i>	5.72	3.46
(a) Large Factories	5.73	3.46
(b) Small Factories	4.26	*
2. <i>Amritsar</i>	3.85	2.10
(a) Large Factories	3.36	2.03
(b) Small Factories	4.17	2.12
3. <i>Residual</i>	6.66	2.82
(a) Large Factories	6.89	3.03
(b) Small Factories	5.09	2.29
4. <i>All-India</i>	6.23	2.95
(a) Large Factories	6.53	3.19
(b) Small Factories	4.71	2.22

*Only one unit was in the sample. No Watch and Ward staff was reported employed in this unit.

rules. It is reported that the fines imposed were within the limits prescribed by the Payment of Wages Act. The amounts recovered in the form of fines were credited to the State Labour Welfare Fund, as under Rules.

As regards deductions, all the units were effecting the same in conformity with the Payment of Wages Act.

CHAPTER IV

WORKING CONDITIONS

The present Survey has shown that the working conditions in the woollen factories differed from unit to unit and from place to place. The following paragraphs describe briefly the findings on various aspects.

4.1. *Hours of Work*—According to the Labour Investigation Committee, in most of the woollen factories surveyed by them, the working hours were 54 per week. Since the passing of the Factories Act, 1948, however, the hours of work for adult workers have been fixed at a maximum of 48 per week and 9 per day. The Chief Inspectors of Factories have been empowered to grant exemption from the above limit of daily hours of work in order to facilitate the change-over in any factory.

The data collected during the present Survey show that no woollen factory in the country had more than an 8-hour day and a 48-hour week. Statement 4.1 shows that, in about 39 per cent. of the woollen factories in the country, the working hours were less than 8 per day. Generally, working hours in such units were $7\frac{1}{2}$ per day. In others, the average working hours were 8 per day. Certain adjustments, of course, could be made if considered necessary.

As mentioned elsewhere, only about 8 per cent. of the factories in the country employed a few labourers through contractors. Such workers were reported to be working for the same average daily and weekly hours of work as direct labour, viz., a maximum of 8 and 48 hours, respectively.

In the case of night shifts, workers in about 96 per cent. of the woollen factories were found to be working for more than 7 and up to 8 hours, while in about 4 per cent. of the factories, for 7 hours only.

As regards the prevailing practice (at the time of the Survey) in respect of spread-over and rest-intervals in the woollen factories, the data collected appear in Statement 4.2.

4.2. *Shifts*—When the Labour Investigation Committee conducted their enquiry, they found that a number of woollen factories in the country were working double shifts. Quite a few were reported working three shifts and one of the units surveyed by them in Mysore was found working even four shifts—one general shift of 9 hours and 3 shifts of 8 hours each in the continuous process departments.

The present Survey has shown that about 84 per cent. of the woollen factories in the country were working more than one shift. The practice of working double shifts appeared to be more popular in the Residual Group of factories while three-shift working seemed to be fairly wide-spread in the Amritsar centre. Details appear in Statement 4.3.

STATEMENT 4.1
Daily Hours of Work in Woollen Factories
 (1960-61)

Centre	Number of Factories	Percentage of Factories where Average Daily Hours of work for Majority of Adult Workers were			Percentage of Factories where Average Night Shift Hours were		
		Less than 8	Equal to 8	More than 8	Equal to 7	More than 7 and up to 8	More than 8 and upto 9
1	2	3	4	5	6	7	8
1. Bombay City and its Suburbs							
(a) Large Factories	9	33.3	66.7	—	—	100.0	—
(b) Small Factories	6	50.0	50.0	—	—	100.0	—
	3	—	100.0	—	—	—	—
2. Amritsar							
(a) Large Factories	65	55.0	45.0	—	6.6	93.4	—
(b) Small Factories	6	50.0	50.0	—	50.0	50.0	—
	59	55.6	44.4	—	—	100.0	—
3. Residual							
(a) Large Factories	40	14.0	86.0	—	—	100.0	—
(b) Small Factories	14	40.0	60.0	—	—	100.0	—
	26	—	100.0	—	—	100.0	—
4. All-India							
(a) Large Factories	114	38.9	61.1	—	4.2	95.8	—
(b) Small Factories	26	44.6	55.4	—	20.5	79.5	—
	88	37.3	62.7	—	—	100.0	—

STATEMENT 4.2
Estimated Distribution of Factories According to Duration of Spread-over and Rest Intervals, etc.

Centre	Number of Factories	Percentage of Factories where Average Spread-over was										Percentage of Factories where Average Rest Interval was				
		Day Shifts					Night Shifts					Day Shifts				
		Up to 8 hours	More than 8 up to 9 hours	More than 9 hours	Equal to 7 hours	More than 7 up to 8 hours	More than 8 up to 9 hours	More than 9 hours	Equal to 1 1/2 hour	More than 1 1/2 hour up to 1 hour	No Rest interval up to one hour	Equal to 1 1/2 hour	More than 1 1/2 hour up to one hour	Equal to 1 1/2 hour	More than 1 1/2 hour up to one hour	No Rest interval up to one hour
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
1. Bombay City and its Suburbs																
(a) Large Factories	9	33.3	66.7	—	—	100.0	—	100.0	—	—	100.0	—	—	100.0	—	—
(b) Small Factories	6	50.0	50.0	—	—	100.0	—	100.0	—	—	100.0	—	—	100.0	—	—
2. Amritsar																
(a) Large Factories	65	55.0	45.0	—	6.6	78.9	14.5	55.0	45.0	—	78.9	14.5	6.6	50.0	—	50.0
(b) Small Factories	6	50.0	50.0	—	50.0	50.0	—	50.0	50.0	—	50.0	—	—	50.0	—	50.0
3. Residual																
(a) Large Factories	40	14.0	86.0	—	—	24.4	75.6	42.7	57.3	—	24.4	75.6	—	100.0	—	—
(b) Small Factories	14	40.0	60.0	—	—	100.0	—	60.0	40.0	—	100.0	—	—	100.0	—	—
4. All-India																
(a) Large Factories	114	38.9	61.1	—	4.2	62.3	33.5	54.2	45.8	—	62.3	33.5	4.2	79.4	—	20.6
(b) Small Factories	26	44.6	55.4	—	20.5	79.5	—	66.9	33.1	—	79.4	—	—	57.8	42.2	—
(b) Small Factories	88	37.2	62.8	—	—	57.8	42.2	50.5	49.5	—	57.8	42.2	—	57.8	42.2	—

STATEMENT 4.3

Estimated Percentage of Woollen Factories According to Number of Shifts

Centre	Number of Factories	Percentage of Factories having		
		One Shift	Two Shifts	Three Shifts
1	2	3	4	5
1. <i>Bombay City and its Suburbs</i>	9	33.3	33.3	33.4
(a) Large Factories	6	—	50.00	50.00
(b) Small Factories	3	100.0	—	—
2. <i>Amritsar</i>	65	10.1	30.2	59.7
(a) Large Factories	6	—	—	100.0
(b) Small Factories	59	11.1	33.3	55.6
3. <i>Residual</i>	40	21.7	64.3	14.0
(a) Large Factories	14	—	60.0	40.0
(b) Small Factories	26	33.3	66.7	—
4. <i>All-India</i>	114	16.0	42.4	41.6
(a) Large Factories	26	—	43.8	56.2
(b) Small Factories	88	20.7	42.0	37.3

It would be noticed from the above statement that the single shift system was confined only to small factories. They accounted for nearly 21 per cent. of small establishments and 16 per cent. of all woollen factories in the country.

All those woollen factories which were working three shifts had, invariably, a night shift. In addition, some of those factories which were working only two shifts, also had a night shift. A regular system of transferring workers from day shift to night shift and *vice-versa* existed in all these units. The interval after which such a change-over was made, varied from a week to one month. In about 59 per cent. of the factories, the change-over was effected once a fortnight, about 23 per cent. had a system of weekly change-over while in the remaining (about 18%), workers were transferred from one-shift to another once in a month, as Statement 4.4 will show.

4.3. Seating Arrangements—Seating arrangements for those workers who were obliged to work in a standing position, e.g. weavers, were provided only in one of the small factories surveyed in the Residual Group forming about 8 per cent. of the units in the country as a whole. Of those not providing such facilities, about 30 per cent. maintained that if seating arrangement was made, it would hamper the progress of work and impair the efficiency of workers. Justification given by others for not providing seats was based on the nature of work involved, lack of space, etc.

STATEMENT 4.4

Estimated Percentage Distribution of Factories According to Change-over of Workers

Centre	Number of Factories	Percentage of Factories having Night Shift	Percentage of Factories where there was a Regular System* of Change over	Percentage of Factories where the Change-over was		
				Weekly	Fortnightly	Monthly
1	2	3	4	5	6	7
1. <i>Bombay City and its Suburbs</i>	9	33.3	33.33	—	50.0	50.0
(a) Large Factories	6	50.0	50.00	—	50.0	50.0
(b) Small Factories	3	—	—	—	—	—
2. <i>Amritsar</i>	65	69.7	69.7	22.4	77.6	—
(a) Large Factories	6	100.0	100.0	—	100.0	—
(b) Small Factories	59	66.7	66.7	25.0	75.0	—
3. <i>Residual</i>	40	57.3	57.3	27.7	26.8	45.5
(a) Large Factories	14	40.0	40.0	—	60.0	40.0
(b) Small Factories	26	66.7	66.7	50.0	—	50.0
4. <i>All-India</i>	114	62.5	62.5	22.8	59.2	18.0
(a) Large Factories	26	56.2	56.2	—	66.9	33.1
(b) Small Factories	88	64.4	64.4	31.2	56.4	12.4

*With reference to the Industry as a whole.

4.4. *Dust and Fumes*—The Survey results have revealed that there were a few dusty processes in the woollen factories, giving off considerable dust. However, it was noticed that in a majority of factories, such dusty processes had been isolated. In some of the units, general exhaust system had been provided. In some others, dust masks had been made available.

As regards fumes, only a few of the woollen factories were reportedly having processes, such as chlorination, which gave off considerable fumes. However, it was observed that the above processes had been isolated and general exhaust system provided in such units. Gas masks were also provided to workers engaged on such processes.

The house keeping in a majority of the units was generally found to be good or satisfactory.

4.5. *Conservancy*—The Factories Act, 1934, had made it obligatory for the factory managements to make proper sanitary arrangements, and the Labour Investigation Committee had found an adequate provision of conservancy arrangements in the woollen factories in Amritsar, Bombay and Mysore, at the time of their Enquiry. Subsequently,

the Factories Act, 1948, made it obligatory, for every factory, to maintain adequate number of latrines and urinals for the use of the workers, laying down specifically the standards of such arrangements.

The Survey has revealed that in most of the woollen factories (about 97 %), latrines had been provided, the solitary exception being a small unit surveyed in the Bombay centre. About 15 per cent. of them had water borne sewer type latrines, about 5 per cent. had water borne septic tanks and about 69 per cent. had dry type pans. About 3 per cent. of these units provided dry type borne holes and the rest (8%) had dry type latrines without pans.

In about 86 per cent. of the units having latrines, the same were of a permanent type, while in the rest, they were of temporary construction. In about 92 per cent. of the units having latrines, they were properly screened. Water taps were provided in or near the latrines in only about 34 per cent. of the units having latrines. It was in Amritsar that the percentage of units providing taps was very low. In fact, none of the small factories in this centre provided taps.

The floors of latrines were impervious in all the units. In about 72 per cent. of the units, walls of the latrines were plastered. There were generally brick walls without plaster in the rest of them. It was also observed that all the factories employing women had made separate arrangements for them.

About three-fourths of the units had provided urinals for the use of workers. Of these, in about 75 per cent., they were properly screened. In about 90 per cent. of the units providing urinals, they were of a permanent type. Floors of urinals were impervious in about 92 per cent. of the units having urinals. In a majority of the units (about 66 %) employing women, there were separate urinals for them.

The number of latrines and urinals provided was generally adequate in most of the units.

4.6. Leave and Holidays—In 1944-45, when the Labour Investigation Committee conducted their survey, there was generally no system of granting leave with pay to the workers in the woollen mills; only the supervisory staff in some units was reported to be entitled to annual leave with pay. Since then, there has been a considerable improvement in this direction due to the legislative measures. Statement 4.5, based on the data collected during the Survey, shows the prevailing practice in regard to granting of leave and holidays in woollen factories in the country.

4.6.1. Earned Leave—As already mentioned, there was generally no system of granting earned leave to the workers in the Woollen Industry at the time of the enquiry conducted by the Labour Investigation Committee. However, by virtue of an amendment to the Factories Act, 1934, in April, 1945, the workers became entitled to certain leave facilities. Subsequently, Section 79 of the Factories Act, 1948 provided that every worker who has completed a period of at least 240 days' continuous service in a factory should be allowed during the subsequent period of twelve months, leave with wages for a number of days calculated at the prescribed rate.

STATEMENT 4.5

Estimated Percentage of Factories granting various types of Leave With Pay

Centre	Number of Factories	Percentage of factories granting			
		Earned Leave	Sick Leave	Casual Leave	Festival and National Holidays
1	2	3	4	5	6
1. <i>Bombay City and its Suburbs</i>	9	100.0	—	66.7	66.7
(a) Large Factories	6	100.0	—	100.0	100.0
(b) Small Factories	3	100.0	—	—	—
2. <i>Amritsar</i>	65	100.0	10.1	24.8	100.0
(a) Large Factories	6	100.0	—	50.0	100.0
(b) Small Factories	59	100.0	11.1	22.2	100.0
. <i>Residual</i>	40	100.0	42.7	71.3	100.0
(a) Large Factories	14	100.0	50.0	80.0	100.0
(b) Small Factories	26	100.0	33.3	66.7	100.0
4. <i>All-India</i>	114	100.0	20.7	44.4	97.4
(a) Large Factories	26	100.0	32.3	77.7	100.0
(b) Small Factories	88	100.0	17.3	34.6	95.6

The present Survey has revealed that all woollen factories in the country had a system of granting earned leave to the workers. For all workers covered under the Factories Act, the conditions of eligibility were the same as laid down in the Act. It was, however, observed that in some of the units surveyed, the employers preferred to make cash payment to the workers in lieu of the leave earned by them, at the end of the year, and the workers also did not seem to insist on enjoying the actual leave.

Information in respect of the number of workers who were granted earned leave during the calendar year 1959 and the extent of leave enjoyed by them was also collected during the Survey and the same is summarised in Statement 4.6.

The proportion of workers who enjoyed earned leave, during 1959, varied from about 32 per cent. in Amritsar centre to about 63 per cent. in Bombay city and its suburbs, the overall average in the country being about 58 per cent. It will also be seen that the proportion of workers who enjoyed earned leave during the above period was fairly low (about 12%) in small factories as compared to that in large factories (about 66%). The main reason for this situation appears to be that, in a majority of such cases, workers were paid, as mentioned earlier, wages for the days of leave earned by them, and that they did not actually avail of the leave. In some of these factories where

STATEMENT 4.6

Estimated Number of Workers Granted Earned Leave with Pay (During 1959)

Centre	Average daily number of workers employed	Number of workers who enjoyed leave	Percentage of workers who leave to the total employed	Percentage distribution of workers who enjoyed leave by period of leave									
				Upto 5 days	Over 5 upto 10 days	Over 10 upto 15 days	Over 15 upto 20 days	Over 20 upto 25 days	Over 25 upto 30 days	Over 30 days			
1	2	3	4	5	6	7	8	9	10	11			
1. <i>Bombay City and its Suburbs</i>													
(a) Large Factories	3,319	2,107	63.5	1.8	12.0	64.3	4.2	6.6	9.6	1.5			
(b) Small Factories	3,215	2,095	65.2	1.5	12.1	64.3	4.2	6.7	9.7	1.5			
	104	12	11.5	50.0	—	50.0	—	—	—	—			
2. <i>Amritsar</i>	1,669	540	32.4	51.7	31.7	9.8	2.2	3.1	1.1	0.4			
(a) Large Factories	714	408	57.1	49.5	40.2	6.1	3.0	0.7	—	0.5			
(b) Small Factories	955	132	13.8	58.3	5.3	21.2	—	10.6	4.6	—			
3. <i>Residual</i>	10,293	6,289	61.1	6.4	14.5	60.6	5.2	3.8	8.3	1.2			
(a) Large Factories	9,167	6,176	67.4	6.3	14.2	61.2	5.1	3.8	8.4	1.0			
(b) Small Factories	1,126	113	10.0	13.3	31.9	23.0	13.3	—	4.4	14.1			
4. <i>All-India</i>	15,281	8,936	58.5	8.1	15.0	58.3	4.8	4.4	8.2	1.2			
(a) Large Factories	13,096	8,679	66.3	7.2	14.9	59.4	4.7	4.4	8.3	1.1			
(b) Small Factories	2,185	257	11.8	38.1	16.7	23.3	5.8	5.4	4.3	6.2			

records showed a very small proportion of workers having availed of leave, the managements tried to explain the low figure by saying that many of their employees enjoyed their leave either in period prior or subsequent to the period under reference. Some of them attributed it to high rate of quits as a result of which not many workers completed the minimum qualifying period of service. As such, the none-too-large percentage of the workers (about 58%) who were granted earned leave during 1959, in the Industry as a whole, might be due to some of the reasons mentioned above. Of those who availed themselves of leave during 1959, a majority (i.e. about 58%) enjoyed it for a period of over 10 and up to 15 days.

4.6.2. *Casual Leave*—There is no mention in the Report of the Labour Investigation Committee about the system of granting casual leave in any of the woollen mills covered by them. During the present Survey, however, it was found that about 44 per cent. (Statement 4.5) of the woollen factories in the country were allowing casual leave to their employees. Of these, about 37 per cent. granted the same to only clerical, supervisory staff, etc., while in a similar proportion of units (38%), all categories of workers were allowed this facility. In about 11 per cent. of the units, only permanent workers and in the rest ((15%), only monthly-rated workers were allowed casual leave. In a majority of cases, qualifying condition prescribed was completion of one year's service.

In about 66 per cent. of the units granting casual leave, it was allowed only up to 10 days. Leave over 10 and up to 15 days was permissible in about 23 per cent. of the units. In half of the remaining, i.e., about 11 per cent., leave for over 15 days was allowed, and, in the other half, the period of leave was not fixed and was at the discretion of the management. Employees who were entitled to more than 10 days' casual leave were generally clerical and supervisory staff and monthly-rated workers.

Full consolidated wages or basic pay and dearness allowance, as the case might be, were payable in about 94 per cent. of the units granting casual leave. In the rest (about 6%), i.e., the units in which the period of leave was not fixed, the rate of payment also was not fixed and was at the discretion of the management.

4.6.3. *Sick Leave*—None of the woollen factories were reported to be granting sick leave to their operatives at the time of the Enquiry by the Labour Investigation Committee. However, the present Survey has revealed that about 10 per cent. and about 43 per cent. of the woollen factories in the Amritsar and Residual centres, respectively, allowed sick leave to their employees. They constituted about 21 per cent. of the factories at the all-India level (Statement 4.5).

In the units granting sick leave in Amritsar, only those permanent workers who completed one year's service were entitled to 7 days' sick leave with full pay* in a year. As regards the Residual Group, the conditions varied in different units. For example, in one-third of large units, all permanent workers were entitled to 15 days' sick leave

*In the case of piece-rated workers, the payment was made on the basis of average daily earnings for the previous fortnight.

in a year, the rate of payment being half of the average pay drawn in the preceding 12 months. In the remaining two-thirds, such leave was allowed to the extent of 10 to 15 days in a year on normal pay to only clerical and supervisory staff. In small factories in the Residual Group where sick leave was granted, the benefit was confined only to monthly-rated workers. These workers were allowed sick leave on full basic pay and dearness allowance to the extent of 120 days during the entire period of their service provided the application was supported by a medical certificate.

4.6.4. National and Festival Holidays—From the report of the Labour Investigation Committee it would appear that, at the time of their enquiry, the practice of granting festival holidays was confined only to some of the woollen factories in Amritsar. Here, too, in some of the mills, workers were required to work on Sundays in lieu of the holidays allowed.

The results of the present Survey show that since then the practice of granting national and/or festival holidays with pay has become almost universal in woollen factories in the country inasmuch as nearly 97 per cent. of them (Statement 4.5) were found to be allowing such a benefit. In about 64 per cent. of the units granting holidays, the benefit was enjoyed by all workers and in the remaining, it was restricted only to monthly-rated employees.

In nearly 90 per cent. of the units granting national/festival holidays, the number of holidays was up to 10 in a year. In approximately 2 per cent. of the units, the number of holidays was above 15. In the rest (about 8%)*, the holidays were allowed as per government rules.

No conditions were attached for claiming pay for holidays in 75 per cent. of the units. About 22 per cent. of factories imposed such conditions as attendance on the preceding and/or succeeding working day, and in the remaining 3 per cent. of units, two months' continuous service prior to holiday was insisted upon.

4.6.5. Weekly offs—All the woollen factories in the country were complying with the provisions of the Factories Act regarding the grant of a weekly day of rest to the workers. However, in a majority of the factories only monthly-rated employees were enjoying such offs with pay. Evidently, this was so because the law has not made it obligatory to make payment for such offs.

*This was a Government factory.

CHAPTER V

WELFARE AND AMENITIES

The human approach to the problems of industrial labour has been increasingly in evidence in all countries including India for the last few decades. Various committees or commissions which have been appointed from time to time for inquiring into the working conditions of the industrial labour in India have never failed to pin-point the urgency and utility of ameliorative measures in order to promote the welfare of the workers. Government legislation has been quick in response and the various enactments passed thereby have gone a long way in improving such conditions. Besides facilities provided in compliance to the law, there are many items of welfare which some of the employers have undertaken voluntarily for the benefit of their employees.

During the present Survey, an attempt was made to assess the extent to which the woollen factories in India had actually provided welfare facilities to their workers. The information collected in respect of various welfare activities (both obligatory and non-obligatory) is presented in the following paragraphs.

5.1. *Drinking Water Facilities*—Suitable arrangements for the supply of drinking water were found to be existing in all the woollen mills in the country. Such facilities were generally in the form of water taps connected with municipal mains or tube wells. Earthen pitchers were also used in some establishments. Details appear in Statement 5.1.

Evidently, on account of hygienic considerations, the Factories Act prohibits the location of any drinking water point within 20 feet of latrines and urinals. In the course of the Survey, however, it was noticed that in about 11 per cent. of the woollen factories in the country, the drinking-water points were situated within the prohibited distance. Most of such units were found to be in Bombay.

The Factories Act provides that every factory employing more than 250 workers should supply drinking water cooled by ice or other effective method during certain specified part of the year. Since a majority of the woollen mills did not happen to be employing more than that number, they were not under any such statutory obligation. The results of the Survey show that only about 13 per cent. of the woollen factories in the country were statutorily obliged to make these arrangements for their workers. However, about one-fifth of such units, all of which were in the Amritsar centre, had failed to fulfil this obligation.

5.2. *Washing Facilities*—Section 42 of the Factories Act lays down that adequate and suitable facilities for washing should be provided and maintained for the use of workers in every factory.

STATEMENT 51.

*Drinking Water Facilities in Woollen Factories
(During 1960-61)*

Centre	Number of Factories	Estimated Percentage of Units where drink- ing water facilities existed	Estimated Percentage of Factories where water was supplied through						Estimated percentage of Factories having arrangements for cool water in summer
			Refrigerated water	Earthen pitchers only	Earthen pitchers, buckets, drums, etc.	Tube wells or wells	Only Taps and Drums	Only Buckets and Drums	
1	2	3	4	5	6	7	8	9	10
1. <i>Bombay City and its Suburbs</i>									
(a) Large Factories	9	100.0	--	33.3	33.3	--	33.4	--	100.0
(b) Small Factories	6	100.0	--	50.0	--	--	50.0	--	100.0
2. <i>Amritsar</i>									
(a) Large Factories	65	100.0	--	30.2	--	39.5	30.3	--	40.3
(b) Small Factories	6	100.0	--	--	100.0	100.0	--	--	100.0
3. <i>Residual</i>									
(a) Large Factories	40	100.0	28.7	21.7	28.6	7.0	14.0	--	93.0
(b) Small Factories	14	100.0	20.0	--	20.0	20.0	40.0	--	80.0
4. <i>All-India</i>									
(a) Large Factories	26	100.0	33.4	33.3	33.3	--	--	--	100.0
(b) Small Factories	114	100.0	10.0	27.5	12.7	24.9	24.8	--	63.5
(a) Large Factories	26	100.0	10.8	11.5	10.8	33.8	33.1	--	66.2
(b) Small Factories	88	100.0	9.9	32.2	13.2	22.4	22.3	--	62.7

During the Survey, it was observed that about 64 per cent. of the woollen factories in the country had made provision for washing facilities. Bombay was leading in this matter inasmuch as all the woollen factories surveyed here were found to have made such arrangements. It was followed by the Residual and Amritsar centres where the percentage of factories having made similar arrangements was about 78 and 50, respectively.

Taps on stand pipes was the predominant arrangement for this purpose. Other arrangements were in the shape of tube wells, hand pumps or more than one arrangement such as wash basin with taps, and showers controlled by taps.

It was further noticed that all units in Bombay employing women provided separate washing facilities for them. In other centres, separate washing facilities for women were not available. In about half of the units, having separate facilities for women, there were no proper screening arrangements.

In about 46 per cent. of the units, some cleansing material like soap, soda, etc., was supplied to workers.

5.3. Bathing Facilities—The Factories Act does not contain any specific provision relating to bathing facilities but it authorises State Governments to make rules requiring certain types of factories to provide such facilities for certain categories of employees. Though the provision of such a facility was not obligatory for the woollen Industry, yet it was found, during the Survey, that about 18 per cent. of the woollen factories in the country had provided bathing facilities for workers. In Bombay, of all such factories which had made these arrangements, about 33 per cent. had provided separate bath rooms for male and female workers. In Amritsar, none of the woollen factories were reported to have made any such arrangement for their workers. In the Residual Group, about 43 per cent. of the factories had provided bathing facilities. Of these, about 67 per cent. had provided bath rooms for men only, about 16 per cent. for women only, and the rest had common bath rooms for male and female workers.

Bathing places wherever provided, in all the centres, were generally kept clean.

5.4 Canteens—The desirability of starting cheap canteens for the workers had attracted the attention of the Labour Investigation Committee. They had noticed that some of the woollen mills surveyed by them at Kanpur and Bombay, were running canteens where light refreshments and tea were served. They had also taken due note of the fact that, in 1944-45, there was no law regulating the establishment of canteens. Since then, however, certain amendments to the existing law on the subject have been made according to which the State Governments may make rules requiring that in any specified factory wherein more than 250 persons are ordinarily employed, an adequate canteen according to the prescribed standards should be provided for the use of the workers.

The results of the present Survey indicate that about 67 per cent. of woollen factories in Bombay and about 22 per cent. in the

Residual Group were running canteens. None of the factories surveyed in Amritsar had any canteen though about 5 per cent. of them were under a statutory obligation to provide this facility to their employees. Those under obligation to provide the same in other centres had fulfilled the obligation. The position at the all-India level was that about 15 per cent. of units had provided canteens for the benefit of their employees.

Of course, not all the units under a statutory obligation had provided canteens. For example, as mentioned earlier, about 5 per cent. of the units in Amritsar had failed to fulfil the legal obligation. However, in Bombay, as against about 34 per cent. units under a similar obligation, canteen facilities existed in about 67 per cent. of woollen factories. Similarly, in the Residual Group, while only about 21 per cent. factories were under the obligation, about 28 per cent. had arrangements in the canteens.

Data collected further show that about half of these canteens served tea, coffee and snacks only while the rest had made arrangements for the sale of meals as well. All such factories where these canteens existed were found to have made adequate drinking water arrangements in the canteens.

Nearly 66 per cent. of the canteens were being run by the managements themselves and the rest (about 34%), by contractors. In the former, Canteen Managing Committees had been constituted and they were generally responsible for fixing the prices of various items. In the latter, prices were fixed by the contractors. In about 33 per cent. units having canteens, the sale of items was at subsidised rates and in 34 per cent. units, items were sold at no-profit-no-loss. In the rest of the units, there was no difference in the market prices and the canteen rates.

It was also found, during the Survey, that price lists of various items sold, duly approved by the managing committees, were often not displayed in the canteen halls since in only about 34 per cent. of the units where canteens existed, such lists could be seen. Probably, there were not many day-to-day variations in the prices of various items and workers were usually aware of them.

Of the total estimated number of workers employed in the woollen mills having canteens (i.e. 10,931), 6,265 workers (or 57.3%) were estimated to be visiting canteens daily.

It was also observed that in about 84 per cent. of the units, the canteens were satisfactorily located inasmuch as their surroundings were clean, and they were some distance away from the work places. In these units, the hygienic conditions were also good or satisfactory. As regards the remaining about 16 per cent. of units, either the location or the hygienic conditions were not satisfactory. In such units, either the canteens were located in very uncongenial surroundings or the kitchens were not white-washed properly or the eatables were found lying exposed or improperly covered.

5.5. Creches—As mentioned earlier (Chapter II), the Woollen Industry does not employ a sizeable number of women. It is not

surprising, therefore, that the Labour Investigation Committee had made no mention of the existence of creche facilities in any of the woollen factories surveyed by them except in Bombay. However, as a result of the Factories Act passed in 1948, it became obligatory for all factories employing more than 50 women workers to maintain a creche of prescribed standard.

On the basis of the present Survey, it has been estimated that, nearly 38 per cent. of the woollen factories had women workers on their rolls during December, 1959. However, since the law requires only those factories which employ more than 50 women workers to maintain a creche, it was found that only about 6 per cent. of woollen mills employing women were under an obligation to provide this facility. All such units were located in the Residual Group. Survey results show that creche facilities did not exist in any of these units at the time of the visits of the field staff.

5.6. *Lockers*—Woollen mills in the country are not under any statutory obligation to provide lockers and none were found having the same for the workers.

5.7. *Rest Shelters*—The existence of rest shelters for the operatives in a few units in Kanpur and Amritsar was reported by the Labour Investigation Committee. The Factories Act, 1934, which was in force at that time, contained only an enabling provision under which the State Government could order any factory employing more than 150 workers to provide a rest shelter. However, with the passing of the Factories Act, 1948, the maintenance of rest shelters became obligatory for every factory wherein more than 150 workers were ordinarily employed.

It was noticed during the course of the Survey, that about 33 per cent. of the woollen factories in Bombay and 21 per cent. in the Residual centres had provided rest shelters for the use of their workers; these were in addition to canteens. The percentage of such factories, at the all-India level was estimated at 10. About 8 per cent. of the woollen factories in the country were under an obligation to provide rest shelters as they employed more than 150 workers and had no canteens. None of them had provided rest shelters. In only 25 per cent. of the units having rest shelters, the latter were in conformity with prescribed standards inasmuch as they were sufficiently lighted, ventilated and maintained in a tidy condition. They also provided adequate protection against bad weather. In the rest, one or the other deficiency such as improper protection from weather, lack of drinking water facilities, etc., was noticed.

5.8. *Recreational Facilities*—As regards the provision of recreational facilities, the present Survey has not indicated any significant improvement as compared to similar arrangements at the time of the Labour Investigation Committee's Enquiry. The Committee had reported that, in some of the units surveyed by them in Dhariwal, Bombay and Mysore, some recreational facilities were provided. Playing fields existed in some units and reading rooms and libraries were provided in some others.

The present Survey has revealed that all large factories surveyed in the Bombay centre and 40 per cent. of the large factories surveyed in the Residual Group, forming only about 8 per cent. of all woollen factories in the country were providing recreational facilities to their employees. Of these, about one-third of units provided indoor and outdoor games as also cultural programmes. Football, Volley ball, hockey, and carrom, table tennis, etc., were generally the games played. Film shows, dramas and other social functions were organised occasionally. In the remaining units, some programmes were arranged usually on festive occasions.

In all the units providing recreational facilities, the managements generally financed the activities.

5.9. Educational Facilities—Except in the Dhariwal woollen mill, the Labour Investigation Committee, perhaps, had not found any educational facilities in the woollen factories surveyed by them. Information collected in the course of the present Survey shows that only about 20 per cent. of large factories surveyed in the Residual Group, or about 2 per cent. of all the units in the country had schools for educating the children of their employees. Nowhere else, any such facility had been provided nor any unit was found paying subsidy to schools run by outsiders. It may be on account of the fact that a majority of the units happened to be small and perhaps, their managements could not afford to make arrangements for providing such a facility for their employees.

Almost all such schools in the Residual Group were reported to be up to middle standard only. No colleges were being run anywhere. It is estimated that nearly 1,222 children were receiving education in these schools in December, 1959.

The factories providing educational facilities did not charge any fees from the students. They were also reported to be providing certain stationery articles such as books, slates, pencils, etc., free of cost.

Adult education centres were being run by about 20 per cent. of the large units* in the Residual Group forming about 2 per cent. of all units in the country. However, not many workers were seen availing themselves of such a facility as those attending these centres represented only 1.1 per cent. of the employees in the units having such centres. They constituted merely 0.4 per cent. of the workers in the Industry as a whole. All such centres were being run outside the mill premises.

5.10. Medical Facilities—While expressing their dissatisfaction with the then existing medical facilities in the country, the Labour Investigation Committee had observed: "Generally speaking, the medical organisation in the country as a whole is extremely inadequate and correspondingly the special medical facilities provided by employers are also insufficient from both the quantitative and qualitative standards The medical facilities are, of course of various types and grades ranging from mere first-aid to hospitals of first class

*These were the same units which, as referred to above, were providing educational facilities.
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type The position in regard to the provision of maternity and child welfare centres is much less satisfactory than that of ordinary medical facilities*. However, they had found adequate medical facilities available to the employees in some of the woollen factories surveyed by them†.

At the time of the present Survey, it was found that hardly 20 per cent. of the large woollen factories surveyed in the Residual Group, constituting about 2 per cent. of factories at the all-India level, had dispensaries/hospitals attached to them. All such units had appointed full-time doctors for the purpose. Other staff appointed generally included compounders, dressers, midwives, nursing orderlies, etc. None of the factories surveyed in Bombay and Amritsar centres had any such facility.

However, in addition to the above units, about 11 per cent. and 33 per cent. of the small factories in Amritsar and Residual centres, respectively, forming about 13 per cent. at the all-India level, had made *ad-hoc* arrangements for the treatment of their employees.

Generally, the doctors visited the workers' houses and took care of the health and sanitary conditions within the factory areas as also of the housing colonies. Certifying medical fitness of workers at the time of recruitment, periodic medical check up, etc., were some of the other duties of these doctors.

5.10.1. *Ambulance Rooms*—Under the Factories Act, every factory employing more than 500 workers is required to provide and maintain an ambulance room. The rules framed by the State Governments prescribe the requirements of such rooms. The results of the Survey show that only about 40 per cent. of the large factories in the Residual Group constituting about 5 per cent. at the all-India level, were under a statutory obligation to make arrangements for the provision of ambulance rooms and all of them had actually done so. It was further noticed that, in about half of such units, ambulance rooms were under the charge of part-time doctors, who were available for 12 hours in a week in the ambulance rooms.

5.10.2. *First-Aid*—The Factories Act, 1948, lays down that every factory shall maintain first-aid boxes, at the rate of one for every 150 workers ordinarily employed. Standards have also been prescribed regarding the items to be provided in the first-aid boxes. The law further requires that such boxes should be readily accessible to workers during all the working hours.

The Survey has shown that all the woollen factories in the Bombay and Residual centres and about 65 per cent. of units in Amritsar were maintaining first-aid boxes. The percentage of such units, at the all-India level, has been estimated at about 80. Though it is mandatory that each box should be kept under the charge of a trained first-aider, it was found that in about 84 per cent. of the units having first-aid boxes, there were no trained first-aiders at all.

* Main Report, pp. 357-58.

† Report on Woollen Industry.

In only about 25 per cent. of the woollen factories maintaining first-aid boxes, the contents were found to be complete. In the remaining factories, some or the other deficiency in the first-aid equipment was noticed. Salvolatile, snake-bite lancet and copy of the first-aid leaflet issued by the Chief Adviser of Factories were among the items generally missing from these boxes.

5.11. *Transport Facilities*—The workers in the Woollen Industry were usually not given any transport facility by the managements. The reason may be that a majority of workers lived, perhaps, not very far from the mills. As such, in only about 16 per cent. of the woollen factories in the country, free transport facilities to a few of the workers were reported to have been provided. In addition to these units, about 8 per cent. of the woollen mills in the country were paying transport allowance to some of their workers. However, such facilities have been available on so meagre a scale and to so few people that it would be somewhat erroneous to say that any transport facility was available at all.

5.12. *Other Amenities*— But for the existence of a grain shop in one of the two woollen factories at Kanpur and a cooperative society in the Dhariwal factory, surveyed by the Labour Investigation Committee, no other mention seems to have been made of any other amenity available to the woollen workers by the Committee in their Report on Woollen Industry.

The present Survey has not indicated any improvement in respect of such amenities available to woollen workers. Of the factories surveyed, only a small establishment in Bombay was found running a grain shop for its employees, and cooperative credit societies existed in two large factories in the Residual Group. The latter were reported to be proving useful to the employees in the matter of providing easy loans in times of need and difficulty. In one of the large factories surveyed in the Residual Group, a co-operative store was being run to supply articles to workers at cheap rates.

5.13. *Housing Facilities*—Of the woollen factories surveyed in different parts of the country, the Labour Investigation Committee seemed quite impressed by the prevailing housing facilities at Dhariwal, Kanpur and Amritsar. At all these places, 25 to 28 per cent. of the employees were reported to have been housed by the factory managements. In some of the other factories visited by them, e.g., in Bombay and Kashmir, the position was regarded as unsatisfactory.

At the time of the present Survey, nearly 41 per cent. of the woollen mills in the country were providing housing accommodation to their employees. All large factories in the country excepting those in Amritsar were reported to have provided houses to their workers, whereas amongst small factories, all except those in Bombay had provided the same. The percentage of such units in different centres did not vary widely as is clear from Statement 5.2.

Generally, the provision of one-room tenements seemed to be the rule inasmuch as about 82 per cent. of the houses provided by

the units belonged to this category. It is, however, noteworthy that the percentage of two-room houses was also not insignificant, being about 14, while hardly about 4 per cent. of the houses were three-roomed. All of these houses were *pucca* built.

STATEMENT 5.2

Estimated Percentage of Factories Providing Houses, etc.

Centre	Number of Factories	Percent- age of Factories providing houses	Percentage of Houses consisting of		
			One-room	Two rooms	Three or more rooms
1	2	3	4	5	6
1. <i>Bombay City and its Suburbs</i>	9	33.3	83.3	16.7	-
(a) Large Factories	6	50.0	83.3	16.7	-
(b) Small Factories	3	—	—	—	—
2. <i>Amritsar</i>	65	40.3	100.0	—	—
(a) Large Factories	6	—	—	—	—
(b) Small Factories	59	44.4	100.0	—	—
3. <i>Residual</i>	40	42.7	81.1	14.3	4.6
(a) Large Factories	14	60.0	81.7	14.4	3.9
(b) Small Factories	26	33.3	—	—	100.0
4. <i>All-India</i>	114	40.6	81.4	14.2	4.4
(a) Large Factories	26	43.8	81.7	14.5	3.8
(b) Small Factories	88	39.6	60.5	—	39.5

Information collected shows that, in most of the units providing houses, one-room accommodation was made available to the 'production' and the 'watch and ward' workers. The housing accommodation provided to the supervisory, clerical and/or the administrative staff was generally of two rooms and above.

It has been estimated on the basis of the Survey that of the 15,427 workers employed in the Woollen Industry, in December, 1959, about 14 per cent. had been provided houses by the employers. As between different centres, the percentage of such workers varied from about 1.5 in Amritsar to about 5.5 in Bombay and about 18.9 in the Residual Group of factories, as can be seen from Statement 5.3.

Most of the woollen factories providing houses were not charging any rent from their employees or the rent charged was only nominal. Thus, in about 87 per cent. of units, all houses were completely rent-free, in about 7 per cent. some houses were rent free, and in the remaining (about 5%) rent was being charged for all the houses. In a majority of the cases, the employees had the benefit of either rent-free or low-rent quarters.

STATEMENT 5.3

Estimated Percentage of Workers allotted Houses in the Woollen Industry

Centre	Total Number of Workers employed	Percentage of Workers allotted Houses
1	2	3
1. <i>Bombay City and its Suburbs</i>	3,188	5.5
(a) Large Factories	3,044	5.8
(b) Small Factories	144	—
2. <i>Amritsar</i>	1,858	1.5
(a) Large Factories	868	—
(b) Small Factories	990	2.8
3. <i>Residual</i>	10,381	18.9
(a) Large Factories	9,096	
(b) Small Factories	1,285	1.6
4. <i>All-India</i>	15,427	14.0
(a) Large Factories	13,008	16.3
(b) Small Factories	2,419	2.0

None of the units surveyed were providing any facility whatsoever to their employees for building houses.

CHAPTER VI

SOCIAL SECURITY

The Labour Investigation Committee had nothing much to report about the provision of social security benefits to the woollen mill workers in the country when they conducted their Enquiry in 1944-45. However, with the Independence of the country, much headway has been made in this direction. Consequent to the adoption of various statutory measures by the Central and State Governments, from time to time, the workers in the Woollen Industry, as in some of the other industries, are in a better position today than before as the following paragraphs, based upon the results of the present Survey, would show.

6.1. *Provident Fund Schemes*—None of the woollen factories surveyed by the Labour Investigation Committee in Bombay, had any provident fund scheme for their workers in 1944-45. As regards woollen factories at other places, the Committee had reported the existence of provident fund schemes in one woollen factory each at Dhariwal, Kanpur and Mysore. Even in these cases, the schemes did not cover the bulk of the operatives.

At the time of the present Survey, on the other hand, about 46 per cent. of the woollen mills had provident fund schemes. These comprised all large and about 30 per cent. of small woollen factories surveyed in the country. These funds had been set up under the Employees' Provident Fund Scheme framed by the Government of India in 1952, and consequently, the rates of contributions, etc., were the same as laid down in the Scheme.

The results of the Survey show that an estimated number of 11,519 woollen workers i.e. about 75 per cent. of the total were members of provident fund schemes as on 31st December, 1959. Details for different centres appear in Statement 6.1.

6.2. *Pension Schemes*—A scheme of granting retirement pension to the workers was reported by the Labour Investigation Committee*, to be operating in the Dhariwal mills and in one factory at Kanpur, under the same management. At Dhariwal, pensions were granted to deceased workers' widows or workers who were medically invalidated. Before World War II, workers with 25 to 30 years' service were granted a pension of 10 per cent. of the basic monthly salary with a minimum of Rs. 3.00. Those with over 30 to 35 years' service were given pension at the rate of 12½ per cent. of the basic salary with a minimum of Rs. 4.00, and for workers with over 35 years' service, the pension was on the basis of 15 per cent. of the basic salary with a minimum of Rs. 5.00. At Kanpur, the same rates prevailed. However, as observed by the Labour Investigation Committee, the pension scales had been doubled during the war period and the minima stood at Rs. 6.00, Rs. 8.00 and Rs. 10.00, respectively, for the above categories.

STATEMENT 6.1

Estimated Percentage of Factories having Provident Fund Schemes, (December, 1969)

Centre	Number of Factories	Percentage of Factories having Provident Fund Schemes	Total number of Workers covered under the Act as on 31-12-59	Number of Workers who were Members of the Schemes	Percentage of Workers covered under the Provident Fund Scheme to the total number employed as in Col. (4)
1	2	3	4	5	6
1. <i>Bombay City and its Suburbs</i>	9	66.7	3,188	2,567	80.5
(a) Large Factories	6	100.0	3,044	2,567	84.3
(b) Small Factories	3	—	144	—	—
2. <i>Amritsar</i>	65	9.2	1,858	614	33.0
(a) Large Factories	6	100.0	868	614	70.7
(b) Small Factories	59	—	990	—	—
3. <i>Residual</i>	40	100.0	10,381	3,338	80.3
(a) Large Factories	14	100.0	9,096	7,706	84.7
(b) Small Factories	26	100.0	1,285	632	49.2
4. <i>All-India</i>	114	45.6	15,427	11,519	74.7
(a) Large Factories	26	100.0	13,008	10,887	83.7
(b) Small Factories	88	29.5	2,419	632	26.1

At the time of the present Survey, however, it was noticed that none of the woollen factories surveyed had any pension scheme for their employees.

6.3. *Gratuity Schemes*—From the Report of the Labour Investigation Committee on Woollen Industry, it would appear that in a number of woollen mills surveyed by the Committee, gratuity schemes were in operation. For instance, in Kanpur, those workers, in one of the two mills covered, who did not qualify for pension, received 4 months' basic wages as gratuity if they had served for a period of 15 to 20 years, and 6 month's basic wages if they had served for a period between 20 and 25 years.* The same rate prevailed in the Dhariwal unit. In Bombay, two of the four factories surveyed had a system of paying gratuity on retirement. In Mysore, too, one of the woollen mills was paying gratuity, the rate of payment being 10 per cent. of the worker's wages per annum.

However, during the present Survey, none of the units covered in Bombay and Amritsar centres were having any gratuity scheme for the workers. It was only in the Residual Group that about 40 per

*Report of the Labour Investigation Committee, p. 7.

cent. of the large factories (or 14% of all units in the centre) surveyed had introduced gratuity schemes. Thus, in the country as a whole, it is estimated that the system of paying gratuity existed in only about 22 per cent. of the large units or 5 per cent. of all woollen mills.

In such units, gratuity was payable to the workers of their dependants in the case of death, retirement or voluntary resignation as the case may be. In half of these units, the rate of payment was 15 days' wages for each completed year of service. In the rest, the rate of payment was linked to the number of years of service put in by a worker. Thus, in case of service up to 10 years, a worker was entitled to 15 days' consolidated wages for each year of service less employers' contributions to the Employees' Provident Fund. However, this payment was subject to a minimum of one month's wages. In case a worker had put in more than 10 years of service, he could have one month's consolidated wages as gratuity for each year of service, less employers' contribution to the Employees Provident Fund. This payment was subject to a maximum of 8 months' wages.

In all units paying gratuity, the payment was being made regularly and all workers were covered under the Scheme. On the basis of the data collected during the present Survey, it has been estimated that 167 persons in the Industry received gratuity during 1959.

6.4. *Maternity Benefit*—Legislation providing for payment of cash maternity benefits for certain periods before and after confinement, granting of leave and certain other facilities, etc., to women employed in factories, exists in almost all States under the various Maternity Benefit Acts passed by the State Governments. However, where the Employees' State Insurance Scheme has been put into force, the employers are absolved of their liability under the concerned Maternity Benefit Act.

At the time of the present Survey, the Employees' State Insurance Scheme was in operation in most of the areas where the sampled woollen mills were located*, and, thus, the benefit was payable by the Employees' State Insurance Corporation in these areas. However, information pertaining to maternity benefit payment in respect of the woollen factories not covered under the above scheme shows that no such claims had been made or paid during the period under reference (i.e. 1959).

6.5. *Workmen's Compensation*—The Workmen's Compensation Act 1923, as amended from time to time and the Employees' State Insurance Act, 1948, provide for the compensation to workers who are injured on account of accidents arising out of and in the course of employment. Provisions of the Workmen's Compensation Act were applicable, at the time of the Survey, to all woollen factories excepting those covered under the Employees' State Insurance Scheme.

Information was collected during the Survey in respect of the number and nature of accidents from all woollen factories whether covered or not under the Employees' State Insurance Scheme. On the whole, an estimated number of 400 directly employed workers

*Amritsar, Ludhiana, and Ambala in Punjab, Kanpur and Mirzapur in U.P. and Calcutta and Bombay.

were involved in accidents in the Woollen Industry during 1959. Perhaps a better picture can be had when the number of workers involved in accidents vis-a-vis the number of workers employed is taken into account. The rate of accidents per thousand based on the estimate of average number employed, during 1959, as also distribution of workers involved by nature of accidents, are given in the following statement:

STATEMENT 6.2

Estimated Distribution of Workers Involved in Accidents by Nature of Accident (During 1959)

Centre	Average Number of Workers Employed	Proportion of Workers involved in Accidents	Distribution of Workers involved in Accidents resulting in		
			Death	Permanent Disability	Temporary Disability
1	2	3	4	5	6
1. <i>Bombay City and its Suburbs</i>	3319	54.8	—	4.8	50.0
(a) Large Factories	3215	56.6	—	5.0	51.6
(b) Small Factories	104	—	—	—	—
2. <i>Amritsar</i>	1669	35.3	—	4.2	31.1
(a) Large Factories	714	33.6	—	9.8	23.8
(b) Small Factories	955	36.6	—	—	36.6
3. <i>Residual</i>	10293	15.4	0.2	12.7	2.5
(a) Large Factories	9167	15.7	0.2	13.7	1.8
(b) Small Factories	1126	13.3	—	4.4	8.9
4. <i>All-India</i>	15281	26.2	0.1	10.1	16.0
(a) Large Factories	13090	26.7	0.1	11.4	15.2
(b) Small Factories	2185	22.9	—	2.3	20.6

It will be seen from the above statement that the rate of accidents was fairly high in Bombay, being about 55 per thousand followed by Amritsar and Residual centres. Of course, all these accidents occurred in large factories surveyed. The number of persons involved in fatal accidents was, of course, negligible, and majority of workers were involved in minor accidents causing only temporary disabilities.

During the present Survey, about 19 per cent. of woollen factories surveyed in Amritsar were found to have reported occupational diseases. From other centres, no woollen factory had reported any occupational disease. Bronchitis and asthma were found to be common in the factories reporting the occupational diseases. No cases of occupational diseases in respect of which payment was made were, however, reported.

CHAPTER VII

INDUSTRIAL RELATIONS

In India, most of the causes that lead to industrial unrest have been operative ever since the establishment of the large-scale industries during the middle of the last century. However, prior to 1918-19, strikes were not very common in the country mainly because the workers were illiterate and unorganised. World War I changed the situation leading to mass awakening; acute discontentment became increasingly manifest in most of the industrial centres in the country and consequently the Government could not continue sticking to the policy of *laissez-faire* for a long time. From then onwards, and particularly, since Independence, considerable thought and action have been devoted to matters pertaining to the importance of labour management relations in India. Various acts passed by the Government of India, (notably the Industrial Disputes Act, 1947) and other State Governments have gone a long way in improving industrial relations in the country.

During the present Survey, attention was focussed on some important aspects of the industrial relations in the Woollen Industry and what was observed appears in the following paragraphs.

7.1. *Industrial Disputes*—Data pertaining to the industrial disputes in the Woollen Industry were not collected during the present Survey since the same were available in the Labour Bureau. Such information in respect of the number of disputes in the Woollen Industry and consequent loss of mandays since 1956 is given below:—

STATEMENT 7.14*

Number of Disputes Resulting in Work-stoppages, Workers Involved and Mandays Lost in the Woollen Industry
(From 1956 to 1961)

Year	Number of Disputes†	Number of Workers Involved	Number of Mandays Lost
1	2	3	4
1956	5	1,517	2,248
1957	4	1,036	18,643
1958	4	773	12,353
1959	5	1,616	21,000
1960	3	337	5,000
1961	5	513	15,000

*Labour Bureau 'Indian Labour Statistics', 1963.

† These include both 'strikes' and 'lock-outs'.

It would be seen from the above statement that, in the years 1957 and 1959, there was a considerable loss of man-days in the Woollen Industry. The reason for the same, for the year 1957, was mainly

two lock-outs in West Bengal following, in one case, a strike by the workers on account of some suspensions and, in the other case, an assault on the managerial staff. In 1959, of the man-days lost, about 66 per cent. were lost, once again in West Bengal, on account of a dispute which arose on the retrenchment of some workers because of the shortage of raw material. The rest of the wastage of mandays was on account of almost similar reasons.

7.2. Trade Unionism—No mention of the existence of trade unions anywhere in the woollen factories in India, excepting one at Dhariwal in Punjab, was made by the Labour Investigation Committee in 1944-45. However, information collected during the Survey shows that in about 65 per cent. of the factories in the country, workers had organised themselves into trade unions. It will also be seen from the following statement that the percentage of workers who were members of trade unions varied from about 59 in the Residual Group to 86 in the Bombay Centre.

STATEMENT 7.2*

Estimated Percentage of Factories where Workers were Members of Trade Unions, etc.

(December, 1959)

Centre	Number of Factories	Percentage of Factories where Workers were Members of Trade Unions	Number of Workers as on 31-12-59	Number of Workers who were Members of Trade Unions	Percentage of Factories where Trade Unions (some or all) were recognised
1	2	3	4	5	6
1. <i>Bombay City and its Suburbs</i>	9	100·0	3,188	2,743 (86·0)	66·7
(a) Large Factories	6	100·0	3,044	2,645 (86·9)	100·0
(b) Small Factories	3	100·0	144	98 (68·1)	—
2. <i>Amritsar</i>	65	69·7	1,858	1,249 (67·2)	—
(a) Large Factories	6	100·0	868	475 (54·7)	—
(b) Small Factories	59	66·7	990	774 (78·2)	—
3. <i>Residual</i>	40	49·7	10,381	6,149 (59·2)	28·2
(a) Large Factories	14	80·0	9,096†	5,876 (64·6)	50·0
(b) Small Factories	26	33·4	1,285	273 (21·3)	—
4. <i>All-India</i>	114	65·1	15,427	10,141 (65·7)	15·6
(a) Large Factories	26	89·2	13,008	8,996 (69·2)	50·0
(b) Small Factories	88	58·0	2,419	1,145 (47·3)	—

*Figures within brackets are the percentages of workers who were members of trade unions to the total number of workers covered under the Factories Act, on the specified date, in the Industry as a whole.

†In one of the units surveyed, the membership for one Union was not available.

Statement 7.2 reveals another fact, and that is, that only about 16 per cent. of the woollen factories having unions in the country had recognised the unions. Perhaps, the main reason for not recognising the unions seems to be the fact that the woollen factories were not under any statutory obligation to do so.

The trade unions, wherever they existed, were discharging some functions mainly with the object of promoting the interests of the workers. It was observed during the present Survey that all the unions in Bombay and Amritsar and about 90 per cent. of the unions in the Residual Group were securing claims for their members under the various Labour Acts. About 75 per cent. of the unions were providing relief to the distressed members, the percentage of such unions in the various centres viz. Bombay, Amritsar and Residual being about 50.95 and 41, respectively. It is also estimated that about 10 per cent. of the unions in the Residual Group were organising recreational facilities for their workers. No such activity was reported in other centres. Further, approximately 20 per cent. of the unions in Amritsar and about 30 per cent. in the Residual centre were providing some welfare facilities for the benefit of the members. Adult education does not seem to have attracted the attention of many unions since hardly about 10 per cent. of them in the Residual Group had provided such facilities.

7.3. Collective Agreements—In the course of the Survey, information was collected in respect of collective agreements concluded in the sampled establishments since 1956. It was found that about 24 per cent. of the woollen factories in the country had concluded collective agreements since 1956 till the time of the Survey. Of course, the large establishments seemed to be far ahead of the small ones in this matter since, whereas in about 45 per cent. of the large factories (at the all-India level), the managements had entered into collective agreements with the workers, there were only 17 per cent. of small factories which had done likewise.

In all the centres viz., Bombay, Amritsar and Residual, collective agreements had been concluded. In Bombay, two collective agreements concluded in one of the large units surveyed, related to issues of wages and bonus. In Amritsar, too, the main issues were wages and bonus. However, in addition, some agreements pertaining to sick leave facilities were also entered into. In the Residual Group, it seems, the managements of quite a number of factories had entered into such agreements with their workers. Data collected show that a large number of issues such as profit bonus, permanency, festival and national holidays, enhancement of wages, reinstatement of workers, introduction of the incentive bonus scheme, etc., formed the subject of such agreements.

7.4. Standing Orders—With the enactment of the Industrial Employment (Standing Orders) Act, 1946, it has become obligatory for all factories employing 100 or more workers to frame Standing Orders for regulating such matters as classification of workers, intimation of periods and hours of work, holidays, termination of employment and redress of grievances, etc.

During the present Survey, it was found that the small woollen factories in the country were neither under any obligation to frame Standing Orders nor they had done so. Thus, it was only in large factories that such Orders existed. Further details appear in the following statement.

STATEMENT 7.3

Estimated Percentage of Woollen Factories where Standing Orders were Framed, etc.

Centre	Number of Factories	Percentage of Factories under Statutory Obligation to frame Standing Orders	Percentage of Factories where Standing Orders were framed (Col. 3)	Percentage of Factories where Standing Orders were certified
1	2	3	4	5
1. <i>Bombay City and its Suburbs</i>	9	66.7	50.0	100.0
(a) Large Factories . . .	6	100.0	50.0	100.0
(b) Small Factories . . .	3	—	—	—
2. <i>Amritsar</i> . . .	65	4.6	100.0	100.0
(a) Large Factories . . .	6	50.0	100.0	100.0
(b) Small Factories . . .	59	—	—	—
3. <i>Residual</i> . . .	40	35.0	100.0	100.0
(a) Large Factories . . .	14	100.0	100.0	100.0
(b) Small Factories . . .	26	—	—	—
4. <i>All-India</i> . . .	114	20.2	87.0	100.0
(a) Large Factories . . .	26	88.5	87.0	100.0
(b) Small Factories . . .	88	—	—	—

It can be seen from the statement, that except in Bombay, all large factories which were under a statutory obligation to frame Standing Orders, had done so. In Bombay, about half of the large factories surveyed had fulfilled the statutory obligation. Enquiries from the rest revealed that though they had not framed their own Standing Orders but were following the model Standing Orders.

It may also been mentioned that in Bombay, the Standing Orders had been framed under the Bombay Industrial Relations Act, 1946 whereas in the other centres, the same had been done under the Industrial Employment (Standing Orders) Act, 1946.

Enquiries have further revealed that, in Bombay, the Standing Orders framed by the large woollen factories covered all categories of employees. In Amritsar, the Standing Orders framed in all the large woollen factories were in respect of 'Production Workers' and clerical staff only. In the Residual Group, about 60 per cent. of large factories had common Standing Orders for all the employees while in the remaining (40 per cent.), the Standing Orders covered 'Production Workers' and watch and ward staff.

7.5. Labour and Welfare Officers—It seems there was no practice of appointing labour and/or welfare officers in the Woollen Industry at the time of the enquiry conducted by the Labour Investigation Committee. There was no statutory obligation either on employers to employ labour or welfare officers. However, with the enactment of the Factories Act, 1948, the appointment of welfare officers became obligatory for every factory wherein 500 or more workers were employed.

The present Survey has shown that both in Bombay and Amritsar centres, the woollen factories (large as well as small) were neither under any obligation to appoint such officers nor they had done so. It was only in the Residual Group that about 40 per cent. of the large factories surveyed were under a statutory obligation to appoint welfare officers and all of them had fulfilled this obligation imposed upon them by the law of the land. In fact, in half of the above-mentioned factories, two labour officers and two welfare officers each had been appointed.

These officers had a wide range of activities and were found performing all those duties as prescribed in the rules framed under the Act. Securing of redress of grievances of the workers and maintenance of harmonious relations between the management and employees was one of their most important functions. They were also advising managements in regard to matters connected with proper implementation of labour-laws. Organisation and supervision of labour welfare and recreational activities were also a part of the duties of these officers.

In all the units where labour officers were appointed, it was reported, that they were appearing before the Tribunals, etc., on behalf of the managements in cases of industrial disputes.

7.6. Works Joint Committees—Though as early as 1930, the Royal Commission on Labour had stressed the need and importance of Works Joint Committees for providing a recognised means of consultation between the managements and workmen and thus creating conditions for elimination of sources of friction and inculcating a greater sense of responsibility and interest among workers and managements, it was not till the enactment of the Industrial Disputes Act that any positive step was taken by the Government for the setting up of such committees. From the Report of the Labour Investigation Committee on the Woollen Industry, it would appear that, at the time of their Enquiry, none of the woollen mills had constituted any such committee.

The Survey results show that none of the small woollen factories, anywhere in India, was under any obligation to constitute Works Committees. However, in Bombay and Amritsar centres, 100 per cent. and 50 per cent. of large factories, respectively, were statutorily obliged to constitute such committees but had not done so. In the Residual Group, although large factories were found to be under similar obligation, in only 60 per cent. of them, Works Committees had been constituted. The overall picture was hardly impressive—of the large woollen factories under a statutory obligation (i.e. about 20%), a little more than one-third had constituted Works Committees. The main reasons for not setting up such committees in those units, where it was

obligatory, were reported to be, that neither the managements nor the workers had felt any need for the same or the latter had never insisted on the formation of such committees.

Wherever constituted, the Works Committee, in general, maintained their undisputed position as an important bi-partite agency for general discussion at the unit level. Matters of interest to either the employers or the employees formed the subject matter of discussions in the meetings of such committees. Matters of mutual interest were also discussed and the decisions taken were generally implemented.

7.7. Production and Other Committees—None of the woollen establishments surveyed had constituted any production committee for advising on matters relating to production, etc. However, some units had set up Safety Committees. To this category belonged 40 per cent. of the large and about 33 per cent. of the small establishments surveyed in the Residual Group of factories. The main functions of these committees were to look into the causes of accidents taking place in the factory, and finding out ways and means of preventing them.

Such committees usually consisted of equal representatives of employers and employees.

7.8. Grievance Procedure—The Labour Investigation Committee had made no mention of the existence of any system in regard to the redress of grievances of the workers in the Woollen Industry. However, with the enactment of Industrial Employment (Standing Orders) Act, 1946, it became obligatory for all factories employing 100 or more workers to frame Standing Orders, prescribing also, *inter alia*, the procedure to be followed for redress of grievances. As mentioned elsewhere, except in Bombay, all large factories which were under a statutory obligation to frame Standing Orders had done so and thus a prescribed grievance procedure had been laid down in such units.

According to the prevailing practice, usually grievances were taken to time-keepers, supervisors, weaving masters, clerks, etc., in the first instance, verbally. If they were not satisfied with the decisions at this level, the manager or proprietor was approached. Failing a satisfactory settlement, the grievances were referred to the Conciliation or Labour Officers.

7.9. Association of Workers with Management—The present Survey has shown that not even a single woollen factory in the country had introduced any scheme of associating workers with the managements.

CHAPTER VIII

LABOUR COST

Information pertaining to labour cost was collected from sampled establishments, during the course of the present Survey, in respect of the employees covered under the Factories Act and receiving less than Rs. 400/- per month as wages. This was in pursuance of the decision taken by the Study Group on Wage Costs appointed by the Ministry of Labour and Employment in 1959. The enquiry pertaining to labour cost was modelled on the lines of the Study of Labour Cost in the European Industry, made by the International Labour Office, in 1956, with such modifications as were considered necessary in the light of conditions in India. For instance, in view of the fact that in India, wages are paid on the basis of days instead of hours, data were collected in respect of man-days instead of man-hours. Similarly, it was found in the course of the pilot enquiry that, except for very few establishments, separate records of premium payments made for leave or holidays, or for days not worked, were not maintained and hence these were dropped as separate items and recorded under 'basic wages'. Certain additions were made in the list either on the basis of the decisions of the Study Group referred to above, or to elicit separate information on some of the items on which employers have to incur expenses under labour laws in force in the country, e.g. lay-off, washing facilities, etc.

The Survey started in late December, 1959, and ended in June 1961. With a view to maintaining comparability of data and ensuring uniformity, it was intended to collect information, as far as possible, for the year 1959. If, however, the financial year of the establishment did not coincide with the calendar year, and it was not feasible to collect information for the year 1959, the field staff were asked to collect the data for the latest period of 12 months for which information was available subject to the condition that, as far as practicable, a major period of the year 1959 was covered. The available data show that it was possible to collect information in respect of the calendar year 1959, from most of the units. From the remaining few units, data were collected for the financial year as it was not possible to get information for the calendar year 1959. On the whole, the data collected may be taken to refer to the calendar year 1959.

8.1. *Labour Cost per Man-day Worked*—Data in respect of man-days worked and the corresponding wages and other earnings of the workers were collected for the above-mentioned period. Further, expenditure incurred by the employers on various welfare and security measures, subsidy services, etc., representing the cost incurred by the employers on labour was also recorded in the course of the Survey. Based on the above, the average labour cost per man-day has been worked out and is given in Statement 8.1.

The overall labour cost per manday in the Woollen Industry was estimated at Rs. 4.42. As Statement 8.1 shows, the burden of labour

STATEMENT 8.1

*Estimated Labour Cost per Man-day worked in Woollen Factories
(During 1959)*

(In Rupees)

Centre	Large Factories	Small Factories	Overall
1	2	3	4
1. <i>Bombay City and its Suburbs</i>	4.28	2.75	4.23
2. <i>Amritsar</i>	3.05	3.51	3.31
3. <i>Residual</i>	4.52	3.45	4.68
4. <i>All India</i>	4.08	3.46	4.47

cost was the heaviest in the Residual Group (Rs. 4.68) and the lightest in Amritsar (Rs. 3.31). The cost per man-day was higher in large factories as compared to the small ones at the all-India level as also in Bombay and Residual centres. However, in the Amritsar centre, the small factories* had spent higher amounts on labour than the large factories. The difference in the cost per man-day between the large and small groups of factories was the greatest in Bombay, where the cost in large factories was higher by about 49 per cent. than that in small factories. In Amritsar, the smaller establishments had spent about 15 per cent. more than their larger counterparts.

8.2. Components of Labour Cost—The major element of labour cost was wages. The labour cost per day on account of other payments to the employees and expenditure on welfare and social security measures, etc., constituted about 10.6 per cent. of the total labour cost. A glimpse of the various components of labour cost can be had from Statement 8.2.

8.2.1. Wages—This component comprised basic wages and dearness allowance, incentive or production bonus and attendance bonus received by employees.

It was desired by the Bureau to collect data under this head, in respect of the man-days worked alone, but in the course of the pilot enquiry it was found that most of the employers did not maintain separate records of payments made for the days actually worked, and for leave and holiday periods. Consequently, the amount of basic wages and dearness allowance recorded included the sum paid for the days worked as well as not worked but paid.

It will be noticed from Statement 8.2 that wages constituted the bulk i.e. more than 89 per cent. of the labour cost, in the Woollen Industry. It would also be seen that this proportion was the highest in Bombay, followed by Amritsar and the Residual centres.

*The small factories in Amritsar, earnings of all workers were more than in the large factories in that centre (Statement 3.2).

STATEMENT 8.2
Estimated Labour Cost Per Man-day Worked by Main Components
(During 1959)

(In Rupees)

Centre	Wage-	Premium	Bonus	Other	Payments	Social Security	Subsidies	Direct	Other	Total	
		pay for		cash	in	Contributions		profits	payments		
		overtime		payments	kind	Obligatory	Non-				
		and late				obligatory					
		shift									
1	2	3	4	5	6	7	8	9	10	11	12
1. <i>Bombay City and its Suburbs</i>	3.91 (92.43)	0.01 (0.24)	—	*	0.01 (0.24)	0.25 (5.91)	—	0.05 (1.18)	—	*	4.23 (100.00)
(a) Large Factories . . .	3.95 (92.29)	0.01 (0.23)	—	*	0.01 (0.23)	0.26 (6.08)	—	0.05 (1.17)	—	*	4.28 (100.00)
(b) Small Factories . . .	2.83 (99.30)	*	—	—	—	—	—	0.01 (0.35)	—	0.01 (0.35)	2.88 (100.00)
2. <i>Amritsar</i> . . .	3.06 (92.45)	—	0.09 (2.72)	0.01 (0.30)	*	0.11 (3.32)	—	0.03 (0.91)	—	0.01 (0.30)	3.51 (100.00)
(a) Large Factories . . .	2.65 (86.88)	—	0.16 (5.25)	—	—	0.21 (6.89)	—	0.03 (0.98)	—	*	3.05 (100.00)
(b) Small Factories . . .	3.37 (96.01)	—	0.04 (1.14)	0.02 (0.57)	*	0.04 (1.14)	—	0.03 (0.85)	—	0.01 (0.29)	3.51 (100.00)
3. <i>Residual</i> . . .	4.11 (87.82)	*	0.05 (1.07)	*	—	0.32 (6.84)	0.02 (0.43)	0.18 (3.81)	—	*	4.68 (100.00)
(a) Large Factories . . .	4.21 (87.34)	*	0.06 (1.25)	*	—	0.32 (6.64)	0.03 (0.62)	0.20 (4.15)	—	*	4.82 (100.00)
(b) Small Factories . . .	3.20 (91.95)	—	—	—	—	0.26 (7.47)	—	0.02 (0.58)	—	*	3.48 (100.00)
4. <i>All-India</i> . . .	3.95 (89.37)	*	0.04 (0.91)	*	*	0.28 (6.33)	0.02 (0.45)	0.13 (2.91)	—	*	4.42 (100.00)
(a) Large Factories . . .	4.06 (88.65)	*	0.05 (1.09)	*	*	0.30 (6.55)	0.02 (0.44)	0.15 (3.27)	—	*	4.78 (100.00)
(b) Small Factories . . .	3.25 (93.93)	*	0.02 (0.58)	0.01 (0.29)	*	0.15 (4.33)	—	0.02 (0.58)	—	0.01 (0.29)	3.46 (100.00)

NOTE—Figures within brackets are percentages.

*Less than Re. 0.005.

The following statement gives the break-up of the wage cost into the various sub-groups, viz. basic earnings, incentive or production bonus and attendance bonus.

STATEMENT 8.3
Break-up of 'Wages Cost' by Sub-Components.

(In Rupees)				
Centre	Basic wages and dearness Allowance	Incentive/ Production Bonus	Attendance Bonus	Total
1	2	3	4	5
1. <i>Bombay City and its Suburbs</i>	3.91 (100.00)			3.91 (100.00)
(a) Large Factories . . .	3.95 (100.00)			3.95 (100.00)
(b) Small Factories . . .	2.86 (100.00)			2.86 (100.00)
2. <i>Amritsar</i>	3.06 (100.00)			3.06 (100.00)
(a) Large Factories . . .	2.65 (100.00)			2.65 (100.00)
(b) Small Factories . . .	3.37 (100.00)			3.37 (100.00)
3. <i>Residual</i>	4.07 (99.03)	0.04 (0.97)		4.11 (100.00)
(a) Large Factories . . .	4.17 (99.05)	0.04 (0.95)		4.21 (100.00)
(b) Small Factories . . .	3.20 (100.00)			3.20 (100.00)
4. <i>All-India</i>	3.93 (99.49)	0.02 (0.51)		3.95 (100.00)
(a) Large Factories . . .	4.03 (99.26)	0.03 (0.74)		4.06 (100.00)
(b) Small Factories . . .	3.25 (100.00)			3.25 (100.00)

NOTE—Figures within brackets are percentages to total.

It is evident that almost the entire amount on wage cost was spent in the form of basic wages and dearness allowance or consolidated wages alone. In fact none of the small factories had incurred any expenditure on any item other than the basic earnings of workers. The only other item under the group 'Wage Cost' on which some expenditure was incurred by the employers, was incentive bonus. The contribution of this expenditure which was incurred in the Residual Group only, was rather negligible. It will be seen that attendance bonus was not paid in any of the factories during the period under reference.

8.2.2. Premium Pay for Overtime and Late Shifts—Under this group, only the premium part of the pay for overtime work, late shifts, work on holidays, etc., was recorded. This was represented by an amount received by the workers in addition to their normal pay. For instance, if a worker received one and half times his normal wages for the overtime work, the extra amount i.e. one half was recorded against this item. The normal wages were included under the group 'wages'. The present Survey has shown that the contribution made by this element to the total labour cost was almost negligible.

8.2.3. *Bonuses*—Payments made in respect of festival, year-end, profit-sharing and any other bonus were recorded under this group. It will be seen from Statement 8.2 that, in the Woollen Industry, this item constituted 0.9 per cent. of the total labour cost, per man-day worked. Bonus payment was made in Amritsar and amounted, on an average, to Re. 0.09 per day. The same was Re. 0.06 in large factories in the Residual Group. Others were reported to have not paid any bonus to workers during the period under reference.

It may be noted that the amount of 4 nP. per day paid to workers at the all-India level, was in the form of annual bonus only. Though festival bonus was paid in one of the factories surveyed in the Residual Group, the overall average earning per man-day worked on this account was negligible during the period under reference.

8.2.4. *Other Payments in Cash and Kind*—Other cash payments were those which were regularly made such as house rent allowance, transport allowance, ration allowance, etc., and also *ex-gratia* payments. Payments in kind included such items as food articles etc. supplied either regularly or occasionally as on festive occasions, etc. Such payments being confined to a very few units, constituted a negligible proportion of the total labour cost, at the all-India level.

8.2.5. *Social Security Contributions*—Next to wages, the expenses incurred by employers on various social security measures formed the most important element of labour cost. The employers were statutorily obliged to undertake some of the social security measures and expenditure on such obligatory social security contributions under the various heads was collected separately. Under the other group of social security contributions, viz., the non-obligatory social security contributions, the employers were found making some payments voluntarily. Expenditure incurred by the employers on obligatory social security contributions during 1959 amounted to Re. 0.28 per man-day worked or 6.3 per cent. of the total labour cost. This expenditure was higher in large factories as compared to the small ones. An expenditure on social security measures varying from Re. 0.11 in Amritsar to Re. 0.32 in the Residual Group was reported in all the factories excepting the only small factory surveyed in Bombay, where none of the social security measures were undertaken. Expenditure on one of the non-obligatory social security measures viz., gratuity was incurred in only one of the large establishments surveyed in the Residual Group and amounted to Re. 0.02 for the group. Both obligatory and non-obligatory social security contributions accounted for about 6.8 per cent. of the total labour cost.

Statistics in respect of the obligatory social security contributions were collected for the following items:—

- (1) Provident Fund.
- (2) Retrenchment Compensation.
- (3) Compensation for lay-off.
- (4) Employees' State Insurance Scheme.
- (5) Compensation for Employment Injury.
- (6) Compensation for Occupational Diseases.
- (7) Maternity Benefit.

(8) Dependants' Allowance.

(9) Gratuity.

(10) Other Social Programmes.

Statement 8.4 brings out the relative share of the cost on different items under the group obligatory social security contributions.

The major item of expenditure for employers on obligatory social security contributions, as is evident from Statement 8.4, was provident fund contributions. As stated elsewhere, in about 46 per cent. of the factories in the Industry, provident fund facilities existed for workers. No such expenditure was reported in small factories surveyed in Bombay where provident fund schemes were not in force. In the Industry as a whole, an average cost per day of Re. 0.19 i.e. about 68 per cent. of the total cost on obligatory social security contributions, was incurred on the provident fund contributions. The proportion of expenditure on this item to the total of the social security contributions was much less in small factories (about 47%) than in the large factories (about 67%).

8.2.6. *Subsidies*- Cost to employers for providing certain facilities and services to workers and their families was collected under this head. The facilities listed were: Medical and Health Care, Canteens, Restaurants and other Food Services, Company Housing, Building Funds, Credit Unions and other Financial Aid Services, Creches, Educational Services, Cultural Services (e.g. Library, Reading Rooms, etc.), Recreation Services (Clubs, Sports, etc.), Transport, Sanitation (at work places), Drinking Water facilities, Vacation Homes, etc. The net amount spent, including depreciation but excluding any capital expenditure, was recorded. In the course of the pilot enquiry, it was noticed that in most of the cases, employers either did not maintain any records separately for the above-mentioned items or expenses related not only to persons falling within the scope of the study but also others. Hence, the field staff were asked to obtain estimates, wherever such statistics were not available separately, for the above-mentioned items, and/or for the employees covered by the study only. In the latter case, estimates were made on the basis of the proportion that the employees coming under the scope of the study formed to the total employees. Statement 8.5 gives details in respect of the cost on subsidies incurred by the employers in the Woollen Industry.

The cost of subsidies per man-day worked, as is clear from Statement 8.5, amounted to Re. 0.13, constituting about 2.9 per cent. of the total labour cost. It was mainly in large factories in the Residual Group that a relatively high expenditure was incurred on account of subsidies. In small factories, there was very little expenditure on subsidies i.e. 1 to 3 nP. only.

One single large item of expenditure was company housing. Other items of expenditure were medical and health care, sanitation, canteen, transport, building fund and educational services. The employers incurred negligible expenditure on cultural and recreational services and drinking water.

STATEMENT 8.4
Estimated Cost of Obligatory Social Security Contributions Per Man-day Worked
 (During 1959)

Centre	1	2	3	4	5	Compensation for				8	9	10	11
						Provident Fund Contributions	Retrenchment Compensation	Compensation for lay-off Insurance	Employees State Contribution				
									Employment Injury	Occupational Diseases	Maternity Benefit-allowance	Others	Total
(In Rupees)													
1. <i>Bombay City and its Suburbs</i>													
(a) Large Factories		0.18 (72.00)	0.03 (12.00)		0.04 (16.00)								0.25 (100.00)
(b) Small Factories		0.19 (73.08)	0.03 (11.54)		0.04 (15.38)								0.26 (100.00)
2. <i>Amritsar</i>													
(a) Large Factories		0.06 (54.55)	0.02 (18.18)	0.01 (9.09)	0.02 (18.18)								0.11 (100.00)
(b) Small Factories		0.14 (66.67)	0.02 (9.52)	0.01 (4.76)	0.04 (19.05)								0.21 (100.00)
3. <i>Residual</i>													
(a) Large Factories		0.21 (65.63)	0.05 (15.62)	0.02 (6.25)	0.04 (12.50)				*				0.32 (100.00)
(b) Small Factories		0.15 (57.69)	0.08 (30.77)	*	0.03 (11.54)								0.26 (100.00)
4. <i>All-India</i>													
(a) Large Factories		0.20 (67.85)	0.04 (14.29)	0.01 (3.57)	0.04 (14.29)				*				0.28 (100.00)
(b) Small Factories		0.07 (46.67)	0.05 (33.33)	0.02 (6.67)	0.04 (13.33)								0.30 (100.00)
				*	0.03 (20.00)								0.15 (100.00)

* Less than Re. 0.005.

NOTE.—Figures within brackets are percentages.

STATEMENT 8.5
Estimated Cost of Subsidies Per Manday Worked in the Woollen Industry
(During 1959)

Centre	(In Rupees)													Percent- age of Subsidies to total labour cost
	1	2	3	4	5	6	7	8	9	10	11	12	13	14
		Medical and Health care	Canteen and food services	Restaurants and other food services	Company Housing	Creches	Building Fund	Recreational services	Transport	Sanitation	Drinking water	Educational services	Total	
1. Bombay City and its Suburbs														
(a) Large Factories	.	—	0.01 (20.00)	—	0.01 (20.00)	—	—	—	0.02 (40.00)	0.01 (20.00)	*	—	0.05 (100.00)	1.18
(b) Small Factories	.	—	0.01 (20.00)	—	0.01 (20.00)	—	—	—	0.02 (40.00)	0.01 (20.00)	0.01 (100.00)	—	0.01 (100.00)	0.35
2. Amritsar														
(a) Large Factories	.	*	—	—	—	—	—	—	0.01 (33.33)	0.02 (66.67)	*	—	0.03 (100.00)	0.91
(b) Small Factories	.	—	—	—	—	—	—	—	—	0.03 (100.00)	*	—	0.03 (100.00)	0.98
3. Residual														
(a) Large Factories	.	0.03 (16.67)	0.01 (5.56)	—	0.09 (50.00)	—	0.01 (5.55)	*	—	0.02 (11.11)	*	0.02 (11.11)	0.18 (100.00)	3.84
(b) Small Factories	.	0.03 (15.00)	0.01 (5.00)	—	0.20 (50.00)	—	0.01 (5.00)	*	—	0.02 (10.00)	0.01 (5.00)	0.02 (10.00)	0.20 (100.00)	4.15
4. All-India														
(a) Large Factories	.	0.02 (15.39)	*	—	0.06 (46.15)	—	0.01 (7.69)	*	0.01 (7.69)	0.02 (15.39)	*	0.01 (7.69)	0.13 (100.00)	2.94
(b) Small Factories	.	0.02 (13.33)	*	—	0.07 (46.67)	—	0.01 (6.67)	*	0.01 (6.67)	0.02 (13.33)	*	0.02 (13.33)	0.15 (100.00)	3.27
	.	*	—	—	—	—	—	—	*	0.02 (100.00)	*	—	0.02 (100.00)	0.58

* Less than Re. 0.005.

NOTE.—Figures within brackets are percentages.

CHAPTER IX

SUMMARY OF CONCLUSIONS

The manufacture of woollen goods has been an ancient industry of India though it existed entirely as a cottage industry till 1876 when the first woollen mill was established. The two World Wars provided the requisite stimulus and the Industry has continued making progress, particularly since Independence. Statistics of registered factories show that as against 38 factories with an average daily employment of 14,407 in 1947, there were 196 woollen mills in 1960 with an average daily employment of 24,195. The Industry is mainly concentrated in Punjab, Maharashtra and Uttar Pradesh.

On the basis of the present Survey, it has been estimated that on the specified date i.e. 31st December, 1959, the Industry employed about 15,800 workers of which only 370 workers were not covered under the Factories Act. The distribution of all workers (covered and not covered under the Factories Act), according to the broad occupational groups, shows that about 87 per cent. of them were 'Production and Related Workers' (including Supervisors) and about 7 per cent. were 'Clerical and Related Workers' (including Supervisors) while the other categories viz., 'Watch and Ward and Other Services', 'Professional, Technical and Related Personnel' and 'Administrative, Executive and Managerial Personnel' constituted the rest (about 6%). Another fact of some significance that has emerged from the Survey is that all 'Production Workers', without any exception, were covered under the Factories Act, while those not brought under the purview of the Act were mainly 'Watch and Ward' and 'Clerical and Related' employees.

Employment of women was not of significant proportions in the Industry as they constituted only about 4 per cent. of the total workers employed. They were mostly engaged on production and related processes, such as reeling, winding, waste-picking, drawing, washing, etc. Employment of child labour was almost non-existent.

About 70 per cent. of the workers were time-rated and the rest were piece-rated. There was practically no contract labour in the Industry. Only a few women workers were reported to have been engaged through contractors, on bobbin winding.

Most of the workers (i.e. about 96%), in the Woollen Industry were recruited directly. Of this, recruitment at the factory gate itself accounted for about 85 per cent. A notable feature in this industry was that recruitment was not being made through intermediaries.

The proportion of 'Production Workers' who were permanent was fairly high (i.e. nearly 77 per cent.). Temporary workers constituted about 17 per cent. of the total. The rest were apprentices, *badli* workers and probationers. A study of the length of service of the 'Production Workers' has revealed that about 34 per cent. of them were

having service of 10 years or more to their credit. About 57 per cent. of them, however, were found to be having less than 5 years of service while the rest of them (9%) had been in employ for 5 years but less than 10 years.

Data on labour turnover were collected for 'Production Workers' alone. The overall monthly rates of accessions and separations in the Industry were 6.4 per cent. and 7.1 per cent., respectively. Absenteeism statistics show that, in the Industry as a whole, the overall rate of absenteeism of 'Production Workers' was about 10 per cent.

Nearly 52 per cent. of the workers in the Woollen Industry were paid their wages once a month and about 43 per cent. once a fortnight. For the rest,—it was either a week or a day. The average daily earnings of all workers were Rs. 4.17 while those of the 'Production Workers', who formed the bulk of the total working force, were Rs. 3.71. Male 'Production Workers' earned more (Rs. 3.77) than female 'Production Workers' (Rs. 2.44). 'Watch and Ward' and 'Clerical Workers' earned Rs. 2.95 and Rs. 6.23, respectively, per day. The average daily earnings of the lowest-paid production workers were Rs. 2.57.

A break-up of earnings has revealed that they comprised almost entirely basic earnings, viz., basic wages and dearness allowance or consolidated wages. Only about 15 per cent. of the woollen factories paid separate dearness allowance to some of the workers. The practice of paying annual bonus existed in about 30 per cent. of the factories. In none of these units, however, there was any regular scheme though, in almost all such factories, payment of bonus was made to all categories of employees.

No woollen factory in the country had more than an 8-hour day and a 48-hour week. The period of rest interval generally ranged between 1/2 hour to 1 hour in the day as well as the night shifts and the spread-over did not exceed nine hours in any unit in both day and night shifts. It has been estimated that about 42 per cent. of the woollen factories worked three shifts, another 42 per cent. worked two shifts while the remaining ones had one shift only. All factories working three shifts and some of those working only two shifts, had a night shift. No special amenity was reportedly being provided to the night shift workers though a regular system of transferring workers from the day shifts to the night shifts and *vice-versa* existed in all these units.

All the woollen factories in the country, large and small, had a system of granting earned leave to the workers as per provisions of the Factories Act. However, in some of the units, employers preferred to make mere cash payments in lieu of the actual leave due to the employees. It is estimated that, during 1959, about 58 per cent. of the workers in the Industry enjoyed earned leave. In addition to the earned leave, employers allowed casual and sick leave in about 44 and 21 per cent. of the units, respectively, to some of the workers with pay, even though they were under no statutory obligation to provide this facility. The system of granting national and/or festival holidays with

pay was prevalent at the time of the Survey in almost all the factories. All the factories in the country were found complying with the provisions of law in regard to the grant of weekly day of rest.

Suitable arrangements for the supply of drinking water were found to be existing in all the woollen factories surveyed and washing facilities were available in a majority of the units. The location of drinking-water points within the prohibited distance (i.e. within 20 feet of latrines and urinals) was, however, noticed in about 11 per cent. of the factories. Though the provision of bathing facilities was not obligatory in the woollen factories, about 18 per cent. of them were reported to have provided them.

Against nearly 13 per cent. of the factories under a statutory obligation, about 15 per cent. had provided canteens, with arrangements for sale of tea, coffee and snacks, and even meals in some of the units. About 66 per cent. of the canteens were being run by the managements themselves. From the point of view of location and hygienic conditions, the position of canteens was satisfactory in about 84 per cent. of the units having them. The Survey has also revealed that while about 6 per cent. of the woollen mills employing women were under a statutory obligation to provide creche facilities, none of them had actually done so. As regards rest shelters, even though about 8 per cent. of the factories were legally obliged to provide them, none had fulfilled the requirement. However, about 10 per cent. of the factories, which were not statutorily obliged to provide rest shelters by virtue of the fact that they had canteens, had provided rest shelters also. The Survey results show that only a few managements were providing recreational and educational facilities. Medical facilities, too, were available in a few units only. However, in about 13 per cent. of the units, *ad hoc* arrangements for the treatment of workers had been made. Ambulance rooms existed in all such factories as employed more than 500 workers and hence were under a legal obligation to provide the same. Though nearly four-fifths of factories maintained first-aid boxes for the use of their workers, in only a few they were under the charge of trained first-aiders.

Nearly 41 per cent. of the units had provided houses, all of which were *pucca* built, wherein about 14 per cent. of the total number of workers had been accommodated. Most of the houses provided (about 82 per cent.) were only one-room tenements. In a majority of the units, however, the employees were enjoying the benefit of either rent-free or low-rent quarters.

According to estimates based on the Survey, approximately 46 per cent. of the woollen factories had made provision for social security of their employees inasmuch as they had introduced provident fund schemes for their employees, under the Employees' Provident Fund Scheme. About 75 per cent. of the total number of workers in the Industry were members of these Funds as on 31st December, 1959. While pension schemes were not reported at all in the Industry, gratuity was found payable in about 5 per cent. of the woollen mills. Women workers were entitled to receive maternity benefits from the Employees' State Insurance Corporation in the areas where the Scheme was in operation. In other areas, according to the Survey, no

claims had been made or paid during 1959. Data collected on the number of accidents during 1959 show that the rate of accidents per thousand workers employed was about 26 in the Industry. The proportion of workers involved in temporary and permanent disabilities was about 16 and 10 per thousand, respectively, fatal accidents being negligible.

Statistics of industrial disputes show that there was a considerable loss of man-days in the Industry during 1957 and 1959. In regard to trade unionism, the information collected during the course of the Survey reveals that in about 65 per cent. of the woollen factories, workers had organised themselves into trade unions, with about 66 per cent. of the total working force as their members. However, recognition to the trade unions had been accorded in only about 16 per cent. of the factories. Collective agreements were reported having been concluded, since 1956, in about 45 per cent. of the units surveyed, and related, mostly, to such issues as wages and bonus, permanency, leave facilities, reinstatement, etc. Only large woollen factories were under a statutory obligation to frame Standing Orders. Of these, about 87 per cent. had fulfilled this obligation. In such units (i.e. where Standing Orders had been framed), a prescribed procedure for the redress of grievances of workers was obviously laid down. Nearly 5 per cent. of woollen factories were under a legal obligation to appoint Welfare Officers, and were found to have done so. Even though the constitution of Works or Joint Committees was obligatory in about 20 per cent. of the woollen factories, they existed in only about one-third of them.

Data pertaining to labour cost collected in respect of workers covered under the Factories Act and receiving less than Rs. 400/-p.m., show that, during 1959, the labour cost per man-day worked in the Industry as a whole was Rs. 4.42. In large and small factories it worked out to Rs. 4.58 and Rs. 3.46, respectively. The major element of labour cost was 'Wages' and it accounted for about 89 per cent. of the total. The next important element of labour cost was obligatory social security contributions, such as provident fund, retrenchment compensation, Employees' State Insurance contributions and compensation for lay-off. These together constituted about 6 per cent. of the labour cost. The expenditure on the provision of subsidy services, etc., to workers and their families, such as housing and medical facilities, sanitation at work places, canteen and transport, constituted about 3 per cent. of the labour cost. The rest was shared by other items, predominant among them being annual bonus.

APPENDIX

A BRIEF NOTE ON THE SAMPLE DESIGN AND THE METHOD OF ESTIMATION ADOPTED

1. *Sample Design*—For the Survey of Labour Conditions a multi-stage sampling procedure with industry as a stratum, with further regional strata for those industries which were found to be highly concentrated in particular regions or areas was followed. The registered factories belonging to those industries for which regional stratification was found necessary were stratified and each centre or area of high concentration was taken as a separate regional stratum of the industry and the remaining scattered factories were clubbed together into a single residual stratum. Establishments in an industry/regional stratum were arranged in a frequency distribution fashion with suitable class intervals and were divided into two size groups, large factories, and small factories, on the basis of an optimum cut-off point derived for each industry. The optimum cut-off point was so derived that if all the establishments in the upper size group were included in the sample, the results obtained would yield an estimate of overall employment within 5 per cent. error at 95 per cent. confidence interval, and the sample size would be minimum. The optimum cut-off point for the Woollen Industry was chosen as 115 which was approximately equal to the average size of employment in the Industry. However, considering the limited resources available for the Survey of Labour Conditions and the practicability, etc., it was thought that a sample of 25 per cent. from the upper size group and 12½ per cent. from the lower size group would yield reliable results. However, the experience of earlier Surveys had shown that due to (i) non-availability of very recent frame, (ii) closures, and (iii) units changing their line of production, considerable shrinkage had occurred in the desired sample size. Hence it was decided that for taking into account such closures etc., the required sample size should be increased to allow for the above mentioned shrinkage in the sample size. Having thus increased the sample size, the units which were found to be closed or which had changed their line of production were simply ignored and no substitution for such cases was made.

Ultimate sampling units, namely, registered factories, mines or plantations within an industry/regional stratum, were arranged by contiguous States and within each State by contiguous districts in a serpentine fashion so that districts formed a continuous chain from one State to another. Having arranged the list of units in the above manner, the units above the optimum cut-off point were taken in the upper size class and the rest, in the lower size class. From these size groups, the required number of units were selected by systematic sampling with a random start. The frame on the basis of which the sample was selected was the list of Registered Factories/Mines/Plantations for the year 1958.

2. Method of Estimation—In the course of the Survey various characteristics were studied, some of which were correlated with employment whereas there were others which were correlated not with employment but with the number of establishments. Consequently, two different methods were used for working out estimates.

For estimating the totals of those characteristics which are highly correlated with employment such as absenteeism, labour turnover, earnings, labour cost, etc., ratio of total employment was used as blowing up factor. For estimating the totals of those characteristics which are not correlated with employment such as, number of units providing certain welfare facilities, etc., ratio of units was used as blowing up factor. Estimates of percentages have been arrived at by computing in each case the ratio of the estimates of the totals for the two characteristics involved.

In any stratum the estimate for the total of X-characteristics not correlated with employment is given by:

$$X = \frac{N_u - N'_u}{n_u - n'_u} \sum_i X_{iu} + \frac{N_l - N'_l}{n_l - n'_l} \sum_i X_{il} \dots \dots \dots (1)$$

The summation extending over all units in the stratum.

Where	X	= the estimated total of the x-characteristic for a particular stratum;
N_u and N_l		= the number of units in the original population as featuring in the 1958 list, which was used as frame in the upper and lower size groups, respectively, of the stratum concerned;
N'_u and N'_l		= the number of units which featured in the 1958 list but were not featuring in the latest available list nearest to the period of survey in the upper and lower size groups, respectively, of the stratum concerned;
n_u and n_l		= the total number of units in the sample (from 1958 list) in the upper and lower size groups, respectively, of the stratum concerned;
n'_u and n'_l		= the number of sampled units, which were found at the time of the survey to be closed or to have changed the line of production and hence left out in the upper and lower size groups, respectively, of the stratum concerned;
X_{ju} and X_{jl}		= the total number of x-characteristic in the jth sample unit of the upper and lower size groups, respectively, of the stratum concerned.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formula for each one of the strata of the industry.

In any stratum the estimate for the y-characteristic correlated with Employment is given by:

$$Y = \frac{E_{nu} - N'_u}{E_{nu} - n'_u} \sum_i Y_{iu} + \frac{E_{nl} - N'_l}{E_{nl} - n'_l} \sum_i Y_{il} \dots \dots \dots (2)$$

The summation extending over all units in the Stratum

Where \bar{Y}	= the estimated total of the y-characteristic for a particular stratum.
$E_{n_u} - N_i$ and $E_{n_l} - N_l$	= the total employment in 1958 in the $E_{n_u} - N_i$ and $E_{n_l} - N_l$ units, respectively.
$E_{n_u} - n_u$ and $E_{n_l} - n_l$	= the total employment in 1958 in $E_{n_u} - n_u$ and $E_{n_l} - n_l$ sampled units respectively.
Y_{i_u} and Y_{i_l}	the total number of y-characteristic in the i th sample unit of the upper and lower size groups respectively of the stratum concerned.

The totals for an industry are obtained by summing up the totals obtained on the basis of the above formula for each of the strata of an industry.

